

[First Reprint]

ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY COMMITTEE SUBSTITUTE FOR
ASSEMBLY, Nos. 10, 3740, and 3437

STATE OF NEW JERSEY
218th LEGISLATURE

ADOPTED MARCH 18, 2019

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Assemblyman Calabrese, Assemblywomen McKnight, Jasey, Lampitt, Quijano, Lopez, Assemblyman McKeon, Senators Gopal, Singleton, Codey, Gill, Bateman, Turner and Greenstein

SYNOPSIS

Revises requirements to authorize and access medical cannabis; establishes Cannabis Regulatory Commission; revises permit requirements for alternative treatment centers; and establishes additional legal protections for patients and caregivers.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 20, 2019, with amendments.

(Sponsorship Updated As Of: 5/31/2019)

1 AN ACT concerning medical cannabis, revising various parts of the
2 statutory law, and supplementing P.L.2009, c.307.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 1 of P.L.2009, c.307 (C.24:6I-1) is amended to read
8 as follows:

9 1. This act shall be known and may be cited as the **["New**
10 **Jersey]** "Jake Honig Compassionate Use Medical **["Marijuana]**
11 Cannabis Act."

12 (cf: P.L.2009, c.307, s.1)

13

14 2. Section 2 of P.L.2009, c.307 (C.24:6I-2) is amended to read
15 as follows:

16 2. The Legislature finds and declares that:

17 a. Modern medical research has discovered a beneficial use for
18 **["marijuana]** cannabis in treating or alleviating the pain or other
19 symptoms associated with certain **["debilitating]** medical conditions,
20 as found by the National Academy of Sciences' Institute of
21 Medicine in March 1999 **[";]** .

22 b. According to the U.S. Sentencing Commission and the
23 Federal Bureau of Investigation, 99 out of every 100 **["marijuana]**
24 cannabis arrests in the country are made under state law, rather than
25 under federal law. Consequently, changing state law will have the
26 practical effect of protecting from arrest the vast majority of
27 seriously ill people who have a medical need to use **["marijuana]**
28 cannabis **[";]** .

29 c. Although federal law currently prohibits the use of
30 **["marijuana]** cannabis, the laws of Alaska, Arkansas, California,
31 Colorado, Connecticut, Delaware, Florida, Hawaii, Illinois, Maine,
32 Maryland, Massachusetts, Michigan, Minnesota, Montana, Nevada,
33 New Hampshire, New Mexico, New York, North Dakota, Ohio,
34 Oregon, Pennsylvania, Rhode Island, Vermont, **["and]** Washington,
35 West Virginia, and the District of Columbia permit the use of
36 **["marijuana]** cannabis for medical purposes, and in Arizona doctors
37 are permitted to prescribe **["marijuana]** cannabis. New Jersey joins
38 this effort for the health and welfare of its citizens **[";]** .

39 d. States are not required to enforce federal law or prosecute
40 people for engaging in activities prohibited by federal law;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AAP committee amendments adopted May 20, 2019.

1 therefore, compliance with this act does not put the State of New
2 Jersey in violation of federal law [; and] .

3 e. Compassion dictates that a distinction be made between
4 medical and non-medical uses of [marijuana] cannabis. Hence, the
5 purpose of this act is to protect from arrest, prosecution, property
6 forfeiture, and criminal and other penalties, those patients who use
7 [marijuana] cannabis to alleviate suffering from [debilitating]
8 qualifying medical conditions, as well as their [physicians] health
9 care practitioners, [primary] designated caregivers, institutional
10 caregivers, and those who are authorized to produce [marijuana]
11 cannabis for medical purposes.

12 (cf: P.L.2009, c.307, s.2)

13

14 3. Section 3 of P.L.2009, c.307 (C.24:6I-3) is amended to read
15 as follows:

16 3. As used in [this act] P.L.2009, c.307 (C.24:6I-1 et al.) ¹[,]
17 and¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹[, and P.L. _____, c.
18 (C. _____) (pending before the Legislature as this bill)]¹:

19 “Academic medical center” means an entity located in New
20 Jersey that, on the effective date of P.L. _____, c. (C. _____) (pending
21 before the Legislature as this bill), has an addiction medicine
22 faculty practice ¹or is in the same health care system as another
23 facility located in New Jersey that offers outpatient medical
24 detoxification services or inpatient treatment services for substance
25 use disorder¹ ; has a pain management faculty practice ¹or a
26 facility-based pain management service located in New Jersey¹ ; has
27 graduate medical training programs accredited ¹, or pending
28 accreditation,¹ by the Accreditation Council for Graduate Medical
29 Education or the American Osteopathic Association in primary care
30 and medical specialties; is the principal teaching affiliate of a
31 medical school based in the State; and has the ability to conduct
32 research related to medical cannabis. If the entity is part of a
33 system of health care facilities, the entity shall not qualify as an
34 academic medical center unless the health care system is principally
35 located within the State.

36 “Adverse employment action” means refusing to hire or employ
37 an individual, barring or discharging an individual from
38 employment, requiring an individual to retire from employment, or
39 discriminating against an individual in compensation or in any
40 terms, conditions, or privileges of employment.

41 ["Bona fide physician-patient relationship" means a relationship
42 in which the physician has ongoing responsibility for the
43 assessment, care, and treatment of a patient's debilitating medical
44 condition.]

1 “Cannabis” has the meaning given to “marihuana” in section 2 of
2 the “New Jersey Controlled Dangerous Substances Act,” P.L.1970,
3 c.226 (C.24:21-2).

4 **【"Certification" means a statement signed by a physician with**
5 **whom a qualifying patient has a bona fide physician-patient**
6 **relationship, which attests to the physician's authorization for the**
7 **patient to apply for registration for the medical use of marijuana.】**

8 “Clinical registrant” means an entity that has a written
9 contractual relationship with an academic medical center in the
10 region in which it has its principal place of business, which includes
11 provisions whereby the parties will engage in clinical research
12 related to the use of medical cannabis and the academic medical
13 center or its affiliate will provide advice to the entity regarding
14 patient health and safety, medical applications, and dispensing and
15 managing controlled dangerous substances, among other areas.

16 “Commission” means the Cannabis Regulatory Commission
17 established pursuant to section ¹【7】 ¹31¹ of P.L. , c. (C.)
18 (pending before the Legislature as ¹【Senate Bill No. 2703】 this
19 bill¹).

20 "Commissioner" means the Commissioner of Health.

21 **【"Debilitating medical condition" means:**

22 (1) one of the following conditions, if resistant to conventional
23 medical therapy: seizure disorder, including epilepsy; intractable
24 skeletal muscular spasticity; post-traumatic stress disorder; or
25 glaucoma;

26 (2) one of the following conditions, if severe or chronic pain,
27 severe nausea or vomiting, cachexia, or wasting syndrome results
28 from the condition or treatment thereof: positive status for human
29 immunodeficiency virus; acquired immune deficiency syndrome; or
30 cancer;

31 (3) amyotrophic lateral sclerosis, multiple sclerosis, terminal
32 cancer, muscular dystrophy, or inflammatory bowel disease,
33 including Crohn's disease;

34 (4) terminal illness, if the physician has determined a prognosis
35 of less than 12 months of life; or

36 (5) any other medical condition or its treatment that is approved
37 by the department by regulation.】

38 “Common ownership or control” means:

39 (1) between two for-profit entities, the same individuals or
40 entities own and control more than 50 percent of both entities;

41 (2) between a nonprofit entity and a for-profit entity, a majority
42 of the directors, trustees, or members of the governing body of the
43 nonprofit entity directly or indirectly own and control more than 50
44 percent of the for-profit entity; and

1 (3) between two nonprofit entities, the same directors, trustees,
2 or governing body members comprise a majority of the voting
3 directors, trustees, or governing body members of both nonprofits.

4 "Department" means the Department of Health.

5 "Designated caregiver" means a resident of the State who:

6 (1) is at least 18 years old;

7 (2) has agreed to assist with a registered qualifying patient's
8 medical use of cannabis, is not currently serving as designated
9 caregiver for more than one other qualifying patient, and is not the
10 qualifying patient's health care practitioner;

11 (3) subject to the provisions of paragraph (2) of subsection c. of
12 section 4 of P.L.2009, c.307 (C.24:6I-4), has never been convicted
13 of possession or sale of a controlled dangerous substance, unless
14 such conviction occurred after the effective date of P.L.2009, c.307
15 (C.24:6I-1 et al.) and was for a violation of federal law related to
16 possession or sale of cannabis that is authorized under P.L.2009,
17 c.307 (C.24:6I-1 et al.) ¹ [.] or¹ P.L.2015, c.158 (C.18A:40-
18 12.22 et al.) ¹ [., or P.L. , c. (C.) (pending before the
19 Legislature as this bill)]¹ ;

20 (4) has registered with the commission pursuant to section 4 of
21 P.L.2009, c.307 (C.24:6I-4), and, except in the case of a designated
22 caregiver who is an immediate family member of the patient, has
23 satisfied the criminal history record background check requirement
24 of section 4 of P.L.2009, c.307 (C.24:6I-4); and

25 (5) has been designated as designated caregiver by the patient
26 when registering or renewing a registration with the commission or
27 in other written notification to the commission.

28 ¹"Dispense" means the furnishing of medical cannabis to a
29 registered qualifying patient, designated caregiver, or institutional
30 caregiver by a medical cannabis dispensary or clinical registrant
31 pursuant to written instructions issued by a health care practitioner
32 pursuant to the requirements of P.L.2009, c.307 (C.24:6I-1 et al.).
33 The term shall include the act of furnishing medical cannabis to a
34 medical cannabis handler for delivery to a registered qualifying
35 patient, designated caregiver, or institutional caregiver, consistent
36 with the requirements of subsection i. of section 27 of P.L. , c.
37 (C.) (pending before the Legislature as this bill).¹

38 ¹"Executive director" means the executive director of the
39 Cannabis Regulatory Commission established pursuant to section 7
40 of P.L. , c. (C.) (pending before the Legislature as Senate
41 Bill No. 2703 this bill).¹

42 "Health care facility" means a general acute care hospital,
43 nursing home, long term care facility, hospice care facility, group
44 home, facility that provides services to persons with developmental
45 disabilities, behavioral health care facility, or rehabilitation center.

1 "Health care practitioner" means a physician, advanced practice
2 nurse, or physician assistant licensed or certified pursuant to Title
3 45 of the Revised Statutes who:

4 (1) possesses active registrations to prescribe controlled
5 dangerous substances issued by the United States Drug
6 Enforcement Administration and the Division of Consumer Affairs
7 in the Department of Law and Public Safety; ¹[and]¹

8 (2) is the health care practitioner responsible for the ongoing
9 treatment of a patient's qualifying medical condition, the symptoms
10 of that condition, or the symptoms associated with the treatment of
11 that condition, provided, however, that the ongoing treatment shall
12 not be limited to the provision of authorization for a patient to use
13 medical cannabis or consultation solely for that purpose ¹; and

14 (3) if the patient is a minor, is a pediatric specialist¹ .

15 "Immediate family" means the spouse, ¹domestic partner,¹ civil
16 union partner, child, sibling, or parent of an individual, and shall
17 include the siblings, parents, and children of the individual's spouse
18 ¹, domestic partner,¹ or civil union partner, and the parents,
19 spouses, ¹domestic partners,¹ or civil union partners of the
20 individual's parents, siblings, and children.

21 "Institutional caregiver" means a resident of the State who:

22 (1) is at least 18 years old;

23 (2) is an employee of a health care facility;

24 (3) is authorized, within the scope of the individual's
25 professional duties, to possess and administer controlled dangerous
26 substances in connection with the care and treatment of patients and
27 residents pursuant to applicable State and federal laws;

28 (4) is authorized by the health care facility employing the person
29 to assist registered qualifying patients who are patients or residents
30 of the facility with the medical use of cannabis, including, but not
31 limited to, obtaining medical cannabis for registered qualifying
32 patients and assisting registered qualifying patients with the
33 administration of medical cannabis;

34 (5) subject to the provisions of paragraph (2) of subsection c. of
35 section 4 of P.L.2009, c.307 (C.24:6I-4), has never been convicted
36 of possession or sale of a controlled dangerous substance, unless
37 such conviction occurred after the effective date of P.L.2009, c.307
38 (C.24:6I-1 et al.) and was for a violation of federal law related to
39 possession or sale of cannabis that is authorized under P.L.2009,
40 c.307 (C.24:6I-1 et al.) ¹[,] or¹ P.L.2015, c.158 (C.18A:40-
41 12.22 et al.) ¹[, or P.L. , c. (C.) (pending before the
42 Legislature as this bill)]¹ ; and

43 (6) has registered with the commission pursuant to section 4 of
44 P.L.2009, c.307 (C.24:6I-4).

1 “Integrated curriculum” means an academic, clinical, or research
2 program at an institution of higher education that is coordinated
3 with a medical cannabis cultivator, medical cannabis manufacturer,
4 ¹medical cannabis wholesaler,¹ or medical cannabis dispensary to
5 apply theoretical principles, practical experience, or both involving
6 the cultivation, manufacturing, ¹resale, warehousing,¹ dispensing,
7 ¹delivery,¹ or medical use of cannabis to a specific area of study,
8 including, but not limited to, agriculture, biology, business,
9 chemistry, culinary studies, ecology, environmental studies, health
10 care, horticulture, technology, or any other appropriate area of study
11 or combined areas of study. Integrated curricula shall be subject to
12 approval by the commission and the ¹【Department of Education】
13 Office of the Secretary of Higher Education¹.

14 “Integrated curriculum permit” or “IC permit” means a permit
15 issued to a medical cannabis cultivator, medical cannabis
16 manufacturer, ¹medical cannabis wholesaler,¹ or medical cannabis
17 dispensary that includes an integrated curriculum approved by the
18 commission and the ¹【Department of Education】 Office of the
19 Secretary of Higher Education¹.

20 **【“Marijuana” has the meaning given in section 2 of the “New**
21 **Jersey Controlled Dangerous Substances Act,” P.L.1970, c.226**
22 **(C.24:21-2).】**

23 “Medical **【marijuana】 cannabis** alternative treatment center” or
24 “alternative treatment center” means an organization **【approved】**
25 issued a permit ¹, including a conditional permit,¹ by the
26 **【department】 commission** to **【perform activities necessary to**
27 provide registered qualifying patients with usable marijuana and
28 related paraphernalia in accordance with the provisions of this act**】**
29 operate as a medical cannabis cultivator, medical cannabis
30 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
31 dispensary, or clinical registrant. This term shall include the
32 organization's officers, directors, board members, and employees.

33 “Medical cannabis cultivator” means an organization holding a
34 permit issued by the commission that authorizes the organization to:
35 possess and cultivate cannabis and deliver, transfer, transport,
36 distribute, supply, and sell medical cannabis and related supplies to
37 other medical cannabis cultivators and to medical cannabis
38 manufacturers ¹, medical cannabis wholesalers, clinical registrants,¹
39 and medical cannabis dispensaries, as well as to plant, cultivate,
40 grow, and harvest medical cannabis for research purposes. A
41 medical cannabis cultivator permit shall not authorize the permit
42 holder to manufacture, produce, or otherwise create medical
43 cannabis products, or to deliver, transfer, transport, distribute,
44 supply, sell, or dispense medical cannabis, medical cannabis

1 products, paraphernalia, or related supplies to qualifying patients,
2 designated caregivers, or institutional caregivers.

3 “Medical cannabis dispensary” means an organization issued a
4 permit by the commission that authorizes the organization to:
5 purchase or obtain medical cannabis and related supplies from
6 medical cannabis cultivators; purchase or obtain medical cannabis
7 products and related supplies from medical cannabis manufacturers;
8 purchase or obtain medical cannabis, medical cannabis products,
9 and related supplies and paraphernalia from other medical cannabis
10 dispensaries¹ and from medical cannabis wholesalers and clinical
11 registrants¹ ; deliver, transfer, transport, distribute, supply, and sell
12 medical cannabis and medical cannabis products to other medical
13 cannabis dispensaries; ¹furnish medical cannabis, including medical
14 cannabis products, to a medical cannabis handler for delivery to a
15 registered qualifying patient, designated caregiver, or institutional
16 caregiver consistent with the requirements of subsection i. of
17 section 27 of P.L. , c. (C.) (pending before the Legislature
18 as this bill);¹ and possess, display, deliver, transfer, transport,
19 distribute, supply, sell, and dispense medical cannabis, medical
20 cannabis products, paraphernalia, and related supplies to qualifying
21 patients, designated caregivers, and institutional caregivers. A
22 medical cannabis dispensary permit shall not authorize the permit
23 holder to cultivate medical cannabis ¹[or] ¹ to produce,
24 manufacture, or otherwise create medical cannabis products¹, or to
25 deliver medical cannabis to registered qualifying patients,
26 designated caregivers, or institutional caregivers¹ .

27 “Medical cannabis manufacturer” means an organization issued a
28 permit by the commission that authorizes the organization to:
29 purchase or obtain medical cannabis and related supplies from a
30 medical cannabis cultivator¹, a medical cannabis wholesaler, or a
31 clinical registrant¹ ; purchase or obtain medical cannabis products
32 from another medical cannabis manufacturer¹, a medical cannabis
33 wholesaler, or a clinical registrant¹ ; produce, manufacture, or
34 otherwise create medical cannabis products; and possess, deliver,
35 transfer, transport, distribute, supply, and sell medical cannabis
36 products and related supplies to other medical cannabis
37 manufacturers and to ¹medical cannabis wholesalers,¹ medical
38 cannabis dispensaries¹, and clinical registrants¹ . A medical
39 cannabis manufacturer permit shall not authorize the permit holder
40 to cultivate medical cannabis or to deliver, transfer, transport,
41 distribute, supply, sell, or dispense medical cannabis, medical
42 cannabis products, paraphernalia, or related supplies to ¹registered¹
43 qualifying patients, designated caregivers, or institutional
44 caregivers.

1 ¹“Medical cannabis wholesaler” means any person or entity that
2 issued a permit by the commission authorizing the permit holder to
3 acquire medical cannabis from a medical cannabis cultivator or
4 clinical registrant, and to resell such medical cannabis to a medical
5 cannabis cultivator, medical cannabis manufacturer, medical
6 cannabis wholesaler, medical cannabis dispensary, or clinical
7 registrant; and to acquire medical cannabis products from a medical
8 cannabis manufacturer or clinical registrant for resale to a medical
9 cannabis manufacturer, medical cannabis wholesaler, medical
10 cannabis dispensary, or clinical registrant. A medical cannabis
11 wholesaler permit shall not authorize the permit holder to cultivate
12 medical cannabis, to produce, manufacture, or otherwise create
13 medical cannabis products, or to deliver, transfer, transport,
14 distribute, supply, sell, or dispense medical cannabis, medical
15 cannabis products, paraphernalia, or related supplies to registered
16 qualifying patients, designated caregivers, or institutional
17 caregivers.¹

18 "Medical use of **【marijuana】** cannabis" means the acquisition,
19 possession, transport, or use of **【marijuana】** cannabis or
20 paraphernalia by a registered qualifying patient as authorized by
21 **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.) ¹**【,】** and¹ P.L.2015,
22 c.158 (C.18A:40-12.22 et al.) ¹**【,** and P.L. , c. (C.)
23 (pending before the Legislature as this bill)¹ .

24 "Minor" means a person who is under 18 years of age and who
25 has not been married or previously declared by a court or an
26 administrative agency to be emancipated.

27 "Paraphernalia" has the meaning given in N.J.S.2C:36-1.

28 “Pediatric specialist” means a physician who is a board-certified
29 pediatrician or pediatric specialist, or an advanced practice nurse or
30 physician assistant who is certified as a pediatric specialist by an
31 appropriate professional certification or licensing entity.

32 **【**"Physician" means a person licensed to practice medicine and
33 surgery pursuant to Title 45 of the Revised Statutes with whom the
34 patient has a bona fide physician-patient relationship and who is the
35 primary care physician, hospice physician, or physician responsible
36 for the ongoing treatment of a patient's debilitating medical
37 condition, provided, however, that the ongoing treatment shall not
38 be limited to the provision of authorization for a patient to use
39 medical marijuana or consultation solely for that purpose.

40 "Primary caregiver" or "caregiver" means a resident of the State
41 who:

- 42 a. is at least 18 years old;
- 43 b. has agreed to assist with a registered qualifying patient's
44 medical use of marijuana, is not currently serving as primary

1 caregiver for another qualifying patient, and is not the qualifying
2 patient's physician;

3 c. has never been convicted of possession or sale of a
4 controlled dangerous substance, unless such conviction occurred
5 after the effective date of this act and was for a violation of federal
6 law related to possession or sale of marijuana that is authorized
7 under this act;

8 d. has registered with the department pursuant to section 5 of
9 this act, and has satisfied the criminal history record background
10 check requirement of section 5 of this act; and

11 e. has been designated as primary caregiver on the qualifying
12 patient's application or renewal for a registry identification card or
13 in other written notification to the department. **】**

14 “Primary care” means the practice of family medicine, general
15 internal medicine, general pediatrics, general obstetrics, or
16 gynecology.

17 “Qualifying medical condition” means seizure disorder,
18 including epilepsy; intractable skeletal muscular spasticity; post-
19 traumatic stress disorder; glaucoma; positive status for human
20 immunodeficiency virus; acquired immune deficiency syndrome;
21 cancer; amyotrophic lateral sclerosis; multiple sclerosis; muscular
22 dystrophy; inflammatory bowel disease, including Crohn's disease;
23 terminal illness, if the patient has a prognosis of less than 12
24 months of life; anxiety; migraine; Tourette's syndrome;
25 dysmenorrhea; chronic pain; opioid use disorder; or any other
26 medical condition or its treatment that is approved by the
27 commission.

28 "Qualifying patient" or "patient" means a resident of the State
29 who has been **【provided with a certification】** authorized for the
30 medical use of cannabis by a **【physician】** health care practitioner
31 pursuant to a bona fide **【physician-patient】** practitioner-patient
32 relationship】.

33 **【“Registry identification card”】** “Registration with the
34 commission” means 【a document issued by the department that
35 identifies】 a person has met the qualification requirements for, and
36 has been registered by the commission as, a registered qualifying
37 patient **【or primary】**, designated caregiver, or institutional
38 caregiver. The commission shall establish appropriate means for
39 health care practitioners, health care facilities, medical cannabis
40 dispensaries, law enforcement, schools, facilities providing
41 behavioral health services or services for persons with
42 developmental disabilities, and other appropriate entities to verify
43 an individual's status as a registrant with the commission.

44 ¹“Significantly involved person” means a person or entity who
45 holds at least a five percent investment interest in an entity issued,

1 or applying for a permit to operate as, a medical cannabis cultivator,
2 medical cannabis manufacturer, medical cannabis wholesaler,
3 medical cannabis dispensary, or clinical registrant, or who is a
4 decision making member of a group that holds at least a 20 percent
5 investment interest in an entity issued, or applying for a permit to
6 operate as, a medical cannabis cultivator, medical cannabis
7 manufacturer, medical cannabis wholesaler, medical cannabis
8 dispensary, or clinical registrant, in which no member of that group
9 holds more than a five percent interest in the total group investment
10 interest, and the person or entity makes controlling decisions
11 regarding the operations of the entity issued, or applying for a
12 permit to operate as, a medical cannabis cultivator, medical
13 cannabis manufacturer, medical cannabis wholesaler, medical
14 cannabis dispensary, or clinical registrant.¹

15 "Terminally ill" means having an illness or condition with a
16 prognosis of less than 12 months of life.

17 "Usable [marijuana] cannabis" means the dried leaves and
18 flowers of [marijuana] cannabis, and any mixture or preparation
19 thereof, and does not include the seeds, stems, stalks, or roots of the
20 plant.

21 (cf: P.L.2016, c.53, s.1)

22

23 4. Section 4 of P.L.2009, c.307 (C.24:6I-4) is amended to read
24 as follows:

25 4. a. The [department] commission shall establish a registry
26 of qualifying patients and their ¹[primary] each designated¹
27 caregivers [, and shall issue a registry identification card, which
28 shall be valid for two years, to a qualifying patient and ¹[primary]
29 each designated¹ caregiver, if applicable, who submits] and shall
30 establish a means of identifying and verifying the registration status
31 of patients and designated caregivers who are registered with the
32 commission. Registration with the commission shall be valid for
33 two years. A patient or designated caregiver shall be registered with
34 the commission upon submitting the following, in accordance with
35 regulations adopted by the [department] commission:

36 (1) [a certification that meets the requirements of section 5 of
37 this act] documentation of a health care practitioner's authorization
38 for the patient for the medical use of cannabis;

39 (2) an application or renewal fee, which may be based on a
40 sliding scale as determined by the [commissioner] ¹[executive
41 director] commission¹ ;

42 (3) the name, ¹home¹ address, and date of birth of the patient
43 and each designated caregiver, as applicable; ¹[and]¹

1 (4) the name, address, and telephone number of the patient's
2 **【physician】** health care practitioner¹; and

3 (5) up to one alternate address for the patient, which may be
4 used for delivery of medical cannabis to the patient pursuant to
5 section 27 of P.L. , c. (C.) (pending before the Legislature
6 as this bill)¹ .

7 Each qualifying patient may concurrently have up to two
8 designated caregivers. A qualifying patient may petition the
9 commission for approval to concurrently have more than two
10 designated caregivers, which petition shall be approved if the
11 commission finds that allowing the patient additional designated
12 caregivers is necessary to meet the patient's treatment needs and is
13 consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.).

14 The commission shall establish a registry of institutional
15 caregivers and shall establish a means of identifying and verifying
16 the registration status of institutional caregivers who are registered
17 with the commission. Registration with the commission shall be
18 valid for one year. An institutional caregiver shall be registered
19 with the commission upon submitting the name, address, and
20 telephone number of the institutional caregiver and of the health
21 care facility at which the individual will be serving as institutional
22 caregiver and a certification that meets the requirements of
23 subsection h. of this section. The application or renewal fee for the
24 institutional caregiver shall be paid by the health care facility at
25 which the institutional caregiver will be serving as institutional
26 caregiver. An institutional caregiver shall not be limited in the
27 number of qualifying patients for whom the institutional caregiver
28 may serve as institutional caregiver at one time, provided that each
29 qualifying patient served by the institutional caregiver is a current
30 patient or resident at the health care facility at which the
31 institutional caregiver is authorized to serve as institutional
32 caregiver, and the number of qualifying patients served by the
33 institutional caregiver is commensurate with the institutional
34 caregiver's ability to fully meet the treatment and related needs of
35 each qualifying patient and attend to the institutional caregiver's
36 other professional duties at the health care facility without
37 jeopardizing the health or safety of any patient or resident at the
38 facility.

39 b. Before **【issuing a registry identification card】** registering an
40 individual, the **【department】** commission shall verify the
41 information contained in the application or renewal form submitted
42 pursuant to this section. In the case of a **【primary】** designated or
43 institutional caregiver, the **【department】** commission shall
44 provisionally approve an application pending the results of a
45 criminal history record background check, if the caregiver

1 otherwise meets the requirements of **[this act]** P.L.2009, c.307
2 (C.24:6I-1 et al.). The **[department]** commission shall approve or
3 deny an application or renewal and complete the registration
4 process for successful applicants within 30 days of receipt of the
5 completed application or renewal **[**, and shall issue a registry
6 identification card within five days of approving the application or
7 renewal**]**. The **[department]** commission may deny an application
8 or renewal only if the applicant fails to provide the information
9 required pursuant to this section, or if the **[department]** commission
10 determines that the information was incorrect or falsified or does
11 not meet the requirements of **[this act]** P.L.2009, c.307 (C.24:6I-1
12 et al.). Denial of an application shall be a final agency decision,
13 subject to review by the Superior Court, Appellate Division.

14 c. (1) The **[commissioner]** ¹**[executive director]**
15 commission¹ shall require each applicant seeking to serve as a
16 **[primary]** designated or institutional caregiver to undergo a
17 criminal history record background check; except that no criminal
18 history record background check shall be required for an applicant
19 seeking to serve as a designated caregiver if the applicant is an
20 immediate family member of the patient, and no criminal history
21 record background check shall be required for an applicant seeking
22 to serve as an institutional caregiver if the applicant completed a
23 criminal history record background check as a condition of
24 professional licensure or certification. The **[commissioner]**
25 ¹**[executive director]** commission¹ is authorized to exchange
26 fingerprint data with and receive criminal history record
27 background information from the Division of State Police and the
28 Federal Bureau of Investigation consistent with the provisions of
29 applicable federal and State laws, rules, and regulations. The
30 Division of State Police shall forward criminal history record
31 background information to the **[commissioner]** ¹**[executive**
32 director] commission¹ in a timely manner when requested pursuant
33 to the provisions of this section.

34 An applicant seeking to serve as a **[primary]** designated or
35 institutional caregiver who is required to complete a criminal
36 history record background check pursuant to this section shall
37 submit to being fingerprinted in accordance with applicable State
38 and federal laws, rules, and regulations. No check of criminal
39 history record background information shall be performed pursuant
40 to this section unless the applicant has furnished **[his]** the
41 applicant's written consent to that check. An applicant who is
42 required to complete a criminal history record background check
43 pursuant to this section who refuses to consent to, or cooperate in,
44 the securing of a check of criminal history record background

1 information shall not be considered for inclusion in the registry as a
2 **【primary】** designated or institutional caregiver **【or issuance of an**
3 **identification card】**. An applicant shall bear the cost for the
4 criminal history record background check, including all costs of
5 administering and processing the check.

6 (2) The **【commissioner】** ¹**【executive director】** commission¹
7 shall not approve an applicant seeking to serve as a **【primary】**
8 designated or institutional caregiver who is required to complete a
9 criminal history record background check pursuant to this section if
10 the criminal history record background information of the applicant
11 reveals a disqualifying conviction. For the purposes of this section,
12 a disqualifying conviction shall mean a conviction of a crime
13 involving any controlled dangerous substance or controlled
14 substance analog as set forth in chapter 35 of Title 2C of the New
15 Jersey Statutes except paragraph (4) of subsection a. of
16 N.J.S.2C:35-10, or any similar law of the United States or of any
17 other state.

18 (3) Upon receipt of the criminal history record background
19 information from the Division of State Police and the Federal
20 Bureau of Investigation, the **【commissioner】** ¹**【executive director】**
21 commission¹ shall provide written notification to the applicant of
22 **【his】** the applicant's qualification or disqualification for serving as
23 a **【primary】** designated or institutional caregiver.

24 If the applicant is disqualified because of a disqualifying
25 conviction pursuant to the provisions of this section, the conviction
26 that constitutes the basis for the disqualification shall be identified
27 in the written notice.

28 (4) The Division of State Police shall promptly notify the
29 **【commissioner】** ¹**【executive director】** commission¹ in the event
30 that an individual who was the subject of a criminal history record
31 background check conducted pursuant to this section is convicted of
32 a crime or offense in this State after the date the background check
33 was performed. Upon receipt of that notification, the
34 **【commissioner】** ¹**【executive director】** commission¹ shall make a
35 determination regarding the continued eligibility of the applicant to
36 serve as a **【primary】** designated or institutional caregiver.

37 (5) Notwithstanding the provisions of paragraph (2) of this
38 subsection **【b. of this section】** to the contrary, no applicant shall be
39 disqualified from serving as a **【registered primary】** designated or
40 institutional caregiver on the basis of any conviction disclosed by a
41 criminal history record background check conducted pursuant to
42 this section if the individual has affirmatively demonstrated to the
43 **【commissioner】** ¹**【executive director】** commission¹ clear and
44 convincing evidence of rehabilitation. In determining whether clear

1 and convincing evidence of rehabilitation has been demonstrated,
2 the following factors shall be considered:

3 (a) the nature and responsibility of the position which the
4 convicted individual would hold, has held, or currently holds;

5 (b) the nature and seriousness of the crime or offense;

6 (c) the circumstances under which the crime or offense
7 occurred;

8 (d) the date of the crime or offense;

9 (e) the age of the individual when the crime or offense was
10 committed;

11 (f) whether the crime or offense was an isolated or repeated
12 incident;

13 (g) any social conditions which may have contributed to the
14 commission of the crime or offense; and

15 (h) any evidence of rehabilitation, including good conduct in
16 prison or in the community, counseling or psychiatric treatment
17 received, acquisition of additional academic or vocational
18 schooling, successful participation in correctional work-release
19 programs, or the recommendation of those who have had the
20 individual under their supervision.

21 d. **[A registry identification card]** A verification of registration
22 issued by the commission shall contain the following information:

23 (1) (a) in the case of a patient or designated caregiver
24 registration, the name, address, and date of birth of the patient and
25 **[primary]** each designated caregiver, if applicable; and

26 (b) in the case of an institutional caregiver, the caregiver's name
27 and date of birth and the name and address of the health care
28 facility at which the caregiver is serving as institutional caregiver;

29 (2) the expiration date of the **[registry identification card]**
30 registration;

31 (3) photo identification of the **[cardholder]** registrant; and

32 (4) such other information that the **[department]** commission
33 may specify by regulation.

34 e. (1) A patient who has been **[issued a registry identification**
35 **card]** registered by the commission shall notify the **[department]**
36 commission of any change in the patient's name, address, or
37 **[physician]** health care practitioner or change in status of the
38 patient's **[debilitating]** qualifying medical condition, within 10 days
39 of such change, or the **[registry identification card]** patient's
40 registration shall be deemed null and void.

41 (2) A **[primary]** designated caregiver who has been **[issued a**
42 **registry identification card]** registered by the commission shall
43 notify the **[department]** commission of any change in the
44 caregiver's name or address within 10 days of such change, or the

1 **【registry identification card】** caregiver's registration shall be
2 deemed null and void.

3 (3) An institutional caregiver who has been registered by the
4 commission shall notify the commission of any change in the
5 caregiver's name, address, employment by a health care facility at
6 which the caregiver is registered to serve as institutional caregiver,
7 or authorization from the health care facility to assist qualifying
8 patients with the medical use of cannabis, within 10 days of such
9 change, or the caregiver's registration shall be deemed null and
10 void and the individual shall be deemed ineligible to serve as an
11 institutional caregiver for a period of not less than one year.

12 f. The **【department】** commission shall maintain a confidential
13 list of the persons **【to whom it has issued registry identification**
14 **cards】** registered with the commission. Individual names and other
15 identifying information on the list, and information contained in any
16 application form, or accompanying or supporting document shall be
17 confidential, and shall not be considered a public record under
18 P.L.1963, c.73 (C.47:1A-1 et seq.) **【or】** P.L.2001, c.404 (C.47:1A-
19 5 et al.), or the common law concerning access to government
20 records, and shall not be disclosed except to:

21 (1) authorized employees of the **【department】** commission and
22 the Division of Consumer Affairs in the Department of Law and
23 Public Safety as necessary to perform official duties of the
24 **【department】** commission and the division, as applicable; and

25 (2) authorized employees of State or local law enforcement
26 agencies, only as necessary to verify that a person who is engaged
27 in the suspected or alleged medical use of **【marijuana】** cannabis is
28 lawfully **【in possession of a registry identification card】** registered
29 with the commission.

30 g. Applying for **【or receiving a registry card】** registration or
31 being registered by the commission does not constitute a waiver of
32 the qualifying patient's **【patient-physician】** practitioner-patient
33 privilege.

34 h. An applicant seeking to serve as an institutional caregiver
35 shall submit with the application a certification executed by the
36 director or administrator of the health care facility employing the
37 applicant attesting that:

38 (1) the facility has authorized the applicant to assist registered
39 qualifying patients at the facility with the medical use of cannabis,
40 including obtaining medical cannabis from a medical cannabis
41 dispensary¹, accepting deliveries of medical cannabis on behalf of
42 registered qualifying patients,¹ and assisting registered qualifying
43 patients with the administration of medical cannabis;

1 (2) the facility has established protocols and procedures and
2 implemented security measures to ensure that any medical cannabis
3 obtained by an institutional caregiver that is transported by the
4 caregiver to the facility is transported in a safe and secure manner
5 that prevents theft, diversion, adulteration, and access by
6 unauthorized individuals, and that any medical cannabis present at
7 the facility is stored in a safe and secure manner that prevents theft,
8 diversion, adulteration, and access by unauthorized individuals;

9 (3) the facility has established protocols and procedures to
10 review the medications and treatment plans of registered qualifying
11 patients at the facility to ensure that the patient's medical use of
12 cannabis will not result in adverse drug interactions, side effects, or
13 other complications that could significantly jeopardize the health or
14 safety of the patient;

15 (4) the facility will not charge a registered qualifying patient for
16 medical cannabis obtained on the registered qualifying patient's
17 behalf in an amount that exceeds the actual cost of the medical
18 cannabis, plus any reasonable costs incurred in acquiring the
19 medical cannabis;

20 (5) the facility has established protocols and procedures
21 concerning whether, and to what extent, designated caregivers are
22 permitted to assist registered qualifying patients with the medical
23 use of cannabis while at the facility; and

24 (6) the facility will promptly notify the ¹[executive director]
25 commission¹ in the event that:

26 (a) an institutional caregiver registered with the commission
27 pursuant to this section ceases to be employed by the facility or
28 ceases to be authorized by the facility to assist registered qualifying
29 patients with the medical use of cannabis, in which case, upon
30 receipt of the notification, the ¹[executive director] commission¹
31 shall immediately revoke the institutional caregiver's registration;
32 or

33 (b) an institutional caregiver registered with the commission
34 pursuant to this section, who completed a criminal history record
35 background check as a condition of professional licensure or
36 certification, is convicted of a crime or offense in this State after the
37 date the criminal history background check was performed, in
38 which case, upon receipt of that notification, the ¹[executive
39 director] commission¹ shall make a determination regarding the
40 continued eligibility of the applicant to serve as an institutional
41 caregiver.

42 Nothing in this section shall be deemed to require any facility to
43 authorize any employee of the facility to serve as an institutional
44 caregiver or to issue a certification that meets the requirements of
45 this subsection.

1 (cf: P.L.2009, c.307, s.4)

2

3 5. (New section) a. A health care practitioner shall not be
4 required to be listed publicly in any medical cannabis practitioner
5 registry as a condition of authorizing patients for the medical use of
6 cannabis.

7 b. ¹When authorizing a qualifying patient who is a minor for
8 the medical use of cannabis, if the treating health care practitioner
9 is not a pediatric specialist, the treating health care practitioner
10 shall, prior to authorizing the patient for the medical use of
11 cannabis, obtain written confirmation from a health care practitioner
12 who is a pediatric specialist establishing, in that health care
13 practitioner's professional opinion, and following an examination of
14 the minor patient or review of the minor patient's medical record,
15 that the minor patient is likely to receive therapeutic or palliative
16 benefits from the medical use of cannabis to treat or alleviate
17 symptoms associated with the patient's qualifying medical
18 condition. If the treating health care practitioner is a pediatric
19 specialist, no additional written confirmation from any other health
20 care practitioner shall be required as a condition of authorizing the
21 patient for the medical use of cannabis.

22 c. ¹No authorization for the medical use of cannabis may be
23 issued by a health care practitioner to the practitioner's own self or
24 to a member of the practitioner's immediate family.

25 ¹[d.] c. ¹The commission shall establish a process to allow
26 medical cannabis to be dispensed to a patient who has been
27 authorized for the medical use of cannabis and who has initiated the
28 process of registering with the commission pursuant to section 4 of
29 P.L.2009, c.307 (C.24:6I-4), but whose registration has not been
30 completed or subject to other final action by the commission. A
31 patient may be dispensed medical cannabis in quantities of up to a
32 two-week supply during the pendency of the patient's registration,
33 after which time the patient may be dispensed medical cannabis in
34 an amount consistent with the requirements of section 10 of
35 P.L.2009, c.307 (C.24:6I-10). The commission shall impose such
36 restrictions on access to medical cannabis pursuant to this
37 subsection as shall be necessary to protect against fraud, abuse, and
38 diversion.

39

40 6. (New section) a. Except as provided in subsection b. of this
41 section, no health care practitioner who has authorized a patient for
42 the medical use of cannabis pursuant to P.L.2009, c.307 (C.24:6I-1
43 et al.) within the past 90 days, and no member of such health care
44 practitioner's immediate family, shall be an interest holder in, or
45 receive any form of direct or indirect compensation from, any

1 medical cannabis cultivator, medical cannabis manufacturer,
2 'medical cannabis wholesaler,'¹ medical cannabis dispensary, or
3 clinical registrant.

4 b. Nothing in subsection a. of this section shall be construed to
5 prevent a health care practitioner from serving on the governing
6 board of a medical cannabis cultivator, medical cannabis
7 manufacturer, 'medical cannabis wholesaler,'¹ medical cannabis
8 dispensary, or clinical registrant, or on the medical advisory board
9 of a medical cannabis cultivator, medical cannabis manufacturer,
10 'medical cannabis wholesaler,'¹ medical cannabis dispensary, or
11 clinical registrant established pursuant to section 15 of
12 P.L. , c. (C.) (pending before the Legislature as this bill),
13 or from receiving a reasonable stipend for such service, provided
14 that:

15 (1) the stipend does not exceed the stipend paid to any other
16 member of the governing board or medical advisory board for
17 serving on the board; and

18 (2) the amount of the stipend is not based on patient volumes at
19 any medical cannabis dispensary or clinical registrant or on the
20 number of authorizations for the medical use of cannabis issued by
21 the health care practitioner pursuant to P.L.2009, c.307 (C.24:6I-1
22 et al.).

23 c. A health care practitioner, or an immediate family member
24 of a health care practitioner, who applies to be an owner, director,
25 officer, or employee of a medical cannabis cultivator, medical
26 cannabis manufacturer, 'medical cannabis wholesaler,'¹ medical
27 cannabis dispensary, or clinical registrant, or who otherwise seeks
28 to be an interest holder in, or receive any form of direct or indirect
29 compensation from, a medical cannabis cultivator, medical cannabis
30 manufacturer, 'medical cannabis wholesaler,'¹ medical cannabis
31 dispensary, or clinical registrant, shall certify that the health care
32 practitioner has not authorized a patient for the medical use of
33 cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) within the 90
34 days immediately preceding the date of the application.

35 d. A person who violates subsection a. of this section shall be
36 guilty of a crime of the fourth degree.

37

38 7. (New section) a. An individual who is registered as a
39 qualifying patient in another state or jurisdiction within the United
40 States that authorizes the medical use of cannabis shall be
41 considered a registered qualifying patient for the purposes of
42 P.L.2009, c.307 (C.24:6I-1 et al.) for a period of up to six months,
43 provided that the individual possesses both proof of registration in,
44 and a valid photo identification card issued by, the other state or
45 jurisdiction. During the six month period, the individual shall be

1 authorized to possess and use medical cannabis and engage in such
2 other conduct related to medical cannabis in New Jersey as is
3 consistent with the requirements of P.L.2009, c.307 (C.24:6I-1 et
4 al.) and the laws of the state or jurisdiction in which the patient is
5 registered, except that medical cannabis shall not be dispensed to
6 the individual unless a health care practitioner licensed in New
7 Jersey issues written instructions for the individual that meet the
8 requirements of section 10 of P.L.2009, c.307 (C.24:6I-10). No
9 individual shall be authorized to acquire, possess, use, or engage in
10 other conduct in connection with medical cannabis in New Jersey
11 pursuant to a medical cannabis registration from another State or
12 jurisdiction for more than six months unless the individual registers
13 with the commission as a qualifying patient pursuant to section 4 of
14 P.L.2009, c.307 (C.24:6I-4). ¹Nothing in this subsection shall be
15 construed to authorize delivery of medical cannabis to any person
16 who is not registered with the commission pursuant to section 4 of
17 P.L.2009, c.307 (C.24:6I-4).¹

18 b. An individual who is registered as a designated caregiver in
19 another state or jurisdiction within the United States that authorizes
20 the medical use of cannabis shall be considered a designated
21 caregiver for the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) for a
22 period of up to six months, provided that the individual is in
23 possession of both proof of registration in, and a valid photo
24 identification card issued by, the other state or jurisdiction. During
25 the six month period, the individual shall be authorized to assist a
26 registered qualifying patient with the medical use of cannabis and
27 engage in such other conduct in connection with medical cannabis
28 in New Jersey as is consistent with the requirements of P.L.2009,
29 c.307 (C.24:6I-1 et al.) and the laws of the state or jurisdiction in
30 which the caregiver is registered, except that medical cannabis shall
31 not be dispensed to the individual on behalf of a registered
32 qualifying patient unless a health care practitioner licensed in New
33 Jersey issues written instructions for the registered qualifying
34 patient that meet the requirements of section 10 of P.L.2009, c.307
35 (C.24:6I-10). No individual shall be authorized to assist a registered
36 qualifying patient with the medical use of cannabis or engage in
37 other conduct in connection with medical cannabis in New Jersey
38 pursuant to a medical cannabis registration from another State or
39 jurisdiction for more than six months unless the individual registers
40 with the commission as a designated caregiver pursuant to section 4
41 of P.L.2009, c.307 (C.24:6I-4). ¹Nothing in this subsection shall be
42 construed to authorize delivery of medical cannabis to any person
43 who is not registered with the commission pursuant to section 4 of
44 P.L.2009, c.307 (C.24:6I-4).¹

1 c. The commission shall seek to enter into reciprocity
2 agreements with other states and jurisdictions within the United
3 States that authorize the medical use of cannabis.

4

5 8. Section 6 of P.L.2009, c.307 (C.24:6I-6) is amended to read
6 as follows:

7 6. a. The provisions of N.J.S.2C:35-18 shall apply to any
8 qualifying patient, **[primary]** designated caregiver, **[alternative**
9 **treatment center, physician]** institutional caregiver, health care
10 facility, medical cannabis cultivator, medical cannabis
11 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
12 dispensary, ¹medical cannabis handler,¹ health care practitioner,
13 academic medical center, clinical registrant, testing laboratory, or
14 any other person acting in accordance with the provisions of
15 P.L.2009, c.307 (C.24:6I-1 et al.) **[or] ¹[.] or¹ P.L.2015, c.158**
16 (C.18A:40-12.22 et al.) ¹[, or P.L. , c. (C.) (pending before
17 the Legislature as this bill)]¹ .

18 b. A qualifying patient, **[primary]** designated caregiver,
19 **[alternative treatment center, physician]** institutional caregiver,
20 health care facility, medical cannabis cultivator, medical cannabis
21 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
22 dispensary, ¹medical cannabis handler,¹ health care practitioner,
23 academic medical center, clinical registrant, testing laboratory, or
24 any other person acting in accordance with the provisions of
25 P.L.2009, c.307 (C.24:6I-1 et al.) **[or] ¹[.] or¹ P.L.2015, c.158**
26 (C.18A:40-12.22 et al.) ¹[, or P.L. , c. (C.) (pending before
27 the Legislature as this bill)]¹ shall not be subject to any civil or
28 administrative penalty, or denied any right or privilege, including,
29 but not limited to, civil penalty or disciplinary action by a
30 professional licensing board, related to the medical use of
31 **[marijuana]** cannabis as authorized under P.L.2009, c.307 (C.24:6I-
32 1 et al.) **[or] ¹[.] or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹[,**
33 or P.L. , c. (C.) (pending before the Legislature as this
34 bill)]¹ .

35 c. Registration with the commission, or application for
36 registration by the commission, **[a registry identification card]** shall
37 not alone constitute probable cause to search the person or the
38 property of the **[person possessing or applying for the registry**
39 identification card] registrant or applicant, or otherwise subject the
40 person or **[his]** the person's property to inspection by any
41 governmental agency.

42 d. The provisions of section 2 of P.L.1939, c.248 (C.26:2-82),
43 relating to destruction of **[marijuana]** cannabis determined to exist

1 by the **[department]** commission, shall not apply if a qualifying
2 patient **[or primary]**, designated caregiver, or institutional caregiver
3 **[has in his possession a registry identification card]** is registered
4 with the commission and is in possession of no more than the
5 maximum amount of usable **[marijuana]** cannabis that may be
6 obtained in accordance with section 10 of P.L.2009, c.307 (C.24:6I-
7 10).

8 e. No person shall be subject to arrest or prosecution for
9 constructive possession, conspiracy, or any other offense for simply
10 being in the presence or vicinity of the medical use of **[marijuana]**
11 cannabis as authorized under P.L.2009, c.307 (C.24:6I-1 et al.)
12 **[or] ¹[,] or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹[, or P.L. ,**
13 c. (C.) (pending before the Legislature as this bill)]¹ .

14 f. No custodial parent, guardian, or person who has legal
15 custody of a qualifying patient who is a minor shall be subject to
16 arrest or prosecution for constructive possession, conspiracy, or any
17 other offense for assisting the minor in the medical use of
18 **[marijuana]** cannabis as authorized under P.L.2009, c.307 (C.24:6I-
19 1 et al.) ¹**[or] [,] or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹[, or**
20 P.L. , c. (C.) (pending before the Legislature as this bill)]¹ .

21 g. For the purposes of medical care, including organ
22 transplants, a qualifying patient's authorized use of medical
23 cannabis in accordance with the provisions of P.L.2009, c.307
24 (C.24:6I-1 et al.) ¹[,] and¹ P.L.2015, c.158 (C.18A:40-12.22 et al.)
25 ¹[, and P.L. , c. (C.) (pending before the Legislature as this
26 bill)]¹ , shall be considered equivalent to the authorized use of any
27 other medication used at the direction of a health care practitioner,
28 and shall not constitute the use of an illicit substance or otherwise
29 disqualify a qualifying patient from needed medical care.

30 h. No public or private school or institution of higher education
31 may refuse to enroll a person based solely on the person's status as
32 a registrant with the commission, unless failing to do so would
33 result in the school or institution losing a monetary or licensing-
34 related benefit granted pursuant to federal law. No public or private
35 school or institution of higher education shall be penalized or
36 denied any benefit under State law solely on the basis of enrolling a
37 person who is registered with the commission.

38 i. No person shall refuse to rent, lease, or sublease any real
39 property or part or portion thereof, or discriminate in the terms,
40 conditions, or privileges of the rental or lease of any real property
41 or part or portion thereof or in the furnishing of facilities or services
42 in connection therewith, based solely on the status of the
43 prospective tenant as a registrant with the commission, unless
44 failing to do so would result in the person losing a monetary or

1 licensing-related benefit granted pursuant to federal law. No such
2 person shall be penalized or denied any benefit under State law
3 solely on the basis of renting or leasing real property to a person
4 who is registered with the commission.

5 j. No person shall be denied, or subject to adverse action in
6 connection with, any license, certification, or permit issued
7 pursuant to State law solely based on the person's status as a
8 registrant with the commission, unless issuance or continuance of
9 the license, certification, or permit would result in the licensing or
10 permitting agency losing federal certification, federal funding, or
11 other benefits granted pursuant to federal law.

12 k. (1) Unless failing to do so would result in the health care
13 facility losing a monetary or licensing-related benefit granted
14 pursuant to federal law, a health care facility that employs or
15 maintains a professional affiliation with a health care practitioner
16 shall not take adverse employment action against the health care
17 practitioner or otherwise limit, restrict, or terminate a professional
18 affiliation with the health care practitioner solely based on the
19 health care practitioner engaging in conduct authorized under
20 P.L.2009, c.307 (C.24:6I-1 et al.)¹ [and P.L. , c. (C.)
21 (pending before the Legislature as this bill)]¹, including, but not
22 limited to, authorizing patients for the medical use of cannabis,
23 issuing written instructions pursuant to section 10 of P.L.2009,
24 c.307 (C.24:6I-10), and consulting with patients regarding the use
25 of medical cannabis to treat the patient's qualifying medical
26 condition.

27 (2) No health care facility shall be penalized or denied any
28 benefit under State law solely on the basis of employing or
29 maintaining a professional affiliation with a health care practitioner
30 who engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
31 1 et al.)¹ [and P.L. , c. (C.) (pending before the Legislature
32 as this bill)]¹.

33 l. Unless failing to do so would result in the insurer or
34 insurance association losing a monetary or licensing-related benefit
35 granted pursuant to federal law, an insurer or insurance association
36 authorized to issue medical malpractice liability insurance in New
37 Jersey shall not deny coverage to a health care practitioner, increase
38 the amount of premiums or deductibles under the policy, or charge
39 any additional fees in connection with the policy, solely based on
40 the health care practitioner engaging in conduct authorized under
41 P.L.2009, c.307 (C.24:6I-1 et al.)¹ [or P.L. , c. (C.)
42 (pending before the Legislature as this bill)]¹, including, but not
43 limited to, authorizing qualifying patients for the medical use of
44 cannabis, issuing written instructions pursuant to section 10 of
45 P.L.2009, c.307 (C.24:6I-10), and consulting with patients

1 regarding the use of medical cannabis to treat a qualifying medical
2 condition. No insurer or insurance association shall be penalized or
3 denied any benefit under State law solely on the basis of providing
4 medical malpractice liability insurance to a health care practitioner
5 who engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
6 1 et al.)¹ [or P.L. , c. (C.) (pending before the Legislature
7 as this bill)]¹ .

8 m. A person's status as a registered qualifying patient, a
9 designated or institutional caregiver, or an owner, director, officer,
10 or employee of a medical cannabis cultivator, medical cannabis
11 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
12 dispensary, ¹[or]¹ clinical registrant ¹, or licensed testing
13 laboratory, or as a certified medical cannabis handler,¹ shall not
14 constitute the sole grounds for entering an order that restricts or
15 denies custody of, or visitation with, a minor child of the person.

16 n. (1) No health care facility shall be penalized or denied any
17 benefit under State law solely for permitting or prohibiting the
18 handling, administration, usage, or storage of medical cannabis,
19 provided that the facility's policies related to medical cannabis are
20 consistent with all other facility policies concerning medication
21 handling, administration, usage, or storage.

22 (2) No health care facility shall be penalized or denied any
23 benefit under State law solely for prohibiting the smoking of
24 medical cannabis on facility property in accordance with the
25 facility's smoke free policy.

26 ¹o. No action or proceeding by the Division of Child Protection
27 and Permanency in the Department of Children and Families shall
28 be initiated against a pregnant woman or against the parent or legal
29 guardian of minor child on the sole grounds that the pregnant
30 woman or the parent or legal guardian is a registered qualifying
31 patient, a designated or institutional caregiver, an owner, director,
32 officer, or employee of a medical cannabis cultivator, medical
33 cannabis manufacturer, medical cannabis wholesaler, medical
34 cannabis dispensary, clinical registrant, or licensed testing
35 laboratory, or a certified medical cannabis handler; provided,
36 however, that nothing in this subsection shall preclude any action or
37 proceeding by the division based on harm or risk of harm to a
38 child.¹

39 (cf: P.L.2015, c.158, s.4)

40
41 9. (New section) a. It shall be unlawful to take any adverse
42 employment action against an employee who is a registered
43 qualifying patient based solely on the employee's status as a
44 registrant with the commission.

1 b. (1) If an employer has a drug testing policy and an
2 employee or job applicant tests positive for cannabis, the employer
3 shall offer the employee or job applicant an opportunity to present a
4 legitimate medical explanation for the positive test result, and shall
5 provide written notice of the right to explain to the employee or job
6 applicant.

7 (2) Within three working days after receiving notice pursuant to
8 paragraph (1) of this subsection, the employee or job applicant may
9 submit information to the employer to explain the positive test
10 result, or may request a confirmatory retest of the original sample at
11 the employee's or job applicant's own expense. As part of an
12 employee's or job applicant's explanation for the positive test
13 result, the employee or job applicant may present an authorization
14 for medical cannabis issued by a health care practitioner, proof of
15 registration with the commission, or both.

16 c. Nothing in this section shall be deemed to:

17 (1) restrict an employer's ability to prohibit, or take adverse
18 employment action for, the possession or use of intoxicating
19 substances during work hours or on the premises of the workplace
20 outside of work hours; or

21 (2) require an employer to commit any act that would cause the
22 employer to be in violation of federal law, that would result in a
23 loss of a licensing-related benefit pursuant to federal law, or that
24 would result in the loss of a federal contract or federal funding.

25 d. No employer shall be penalized or denied any benefit under
26 State law solely on the basis of employing a person who is
27 registered with the commission.

28

29 10. Section 7 of P.L.2009, c.307 (C.24:6I-7) is amended to read
30 as follows:

31 7. a. (1) The **【department】** commission shall accept
32 applications from entities for permits to operate as **【alternative**
33 **treatment centers and may charge a reasonable fee for the issuance**
34 **of a permit under this section】** medical cannabis cultivators,
35 medical cannabis manufacturers, ¹medical cannabis wholesalers,¹
36 and medical cannabis dispensaries. ¹For the purposes of this
37 section, the term "permit" shall be deemed to include a conditional
38 permit issued pursuant to subsection d. of section 11 of P.L. , c.
39 (C.) (pending before the Legislature as this bill) and any
40 permit issued to a microbusiness pursuant to subsection e. of
41 section 11 of P.L. , c. (C.) (pending before the Legislature
42 as this bill).¹

43 (2) (a) For a period of 18 months after the effective date of
44 P.L. , c. (C.) (pending before the Legislature as this bill):

- 1 (i) '[an] no' applicant may concurrently hold 'a medical
2 cannabis cultivator permit and a medical cannabis manufacturer
3 permit, but shall not be authorized to hold a medical cannabis
4 dispensary] more than one' permit 'issued by the commission
5 pursuant to this section, regardless of type' ; and
- 6 (ii) '[an applicant who holds a medical cannabis dispensary
7 permit shall not be authorized to concurrently hold a medical
8 cannabis cultivator permit or a medical cannabis manufacturer
9 permit] there shall be no more than 23 active medical cannabis
10 cultivator permits, including medical cannabis cultivator permits
11 deemed to be held by alternative treatment centers issued a permit
12 prior to the effective date of P.L. , c. (C.) (pending before
13 the Legislature as this bill) and medical cannabis cultivator permits
14 deemed to be held by alternative treatment centers issued a permit
15 subsequent to the effective date of P.L. , c. (C.) (pending
16 before the Legislature as this bill) pursuant to an application
17 submitted prior to the effective date of P.L. , c. (C.)
18 (pending before the Legislature as this bill); provided that medical
19 cannabis cultivator permits issued to microbusinesses pursuant to
20 subsection e. of section 11 of P.L. , c. (C.) (pending before
21 the Legislature as this bill) shall not count toward this limit' .
- 22 (b) Commencing 18 months after the effective date of P.L. ,
23 c. (C.) (pending before the Legislature as this bill), a permit
24 holder shall be authorized to concurrently hold a medical cannabis
25 cultivator permit, a medical cannabis manufacturer permit, and a
26 medical cannabis dispensary permit, provided that no permit holder
27 shall be authorized to concurrently hold more than one permit of
28 each type. The permit holder may submit an application for a
29 permit of any type that the permit holder does not currently hold
30 prior to the expiration of the 18 month period described in
31 subparagraph (a) of this paragraph, provided that no 'additional'
32 permit shall be awarded to the permit holder during the 18 month
33 period '[if issuance of the permit would violate the restrictions set
34 forth in subparagraph (a) of this paragraph concerning the types of
35 permits that may be concurrently held during the 18 month period] .
36 In no case shall an entity holding a medical cannabis wholesaler
37 permit be authorized to concurrently hold any medical cannabis
38 cultivator, medical cannabis manufacturer, or medical cannabis
39 dispensary permit, and no entity holding a medical cannabis
40 cultivator, medical cannabis manufacturer, or medical cannabis
41 dispensary permit shall be authorized to concurrently hold a
42 medical cannabis wholesaler permit' .
- 43 (c) The provisions of subparagraph (a) of this paragraph shall
44 not apply to any alternative treatment center that was issued a
45 permit prior to the effective date of P.L. , c. (C.) (pending

1 before the Legislature as this bill), to any alternative treatment
2 center that was issued a permit after the effective date of P.L. ,
3 c. (C.) (pending before the Legislature as this bill) pursuant
4 to an application submitted prior to the effective date of P.L. ,
5 c. (C.) (pending before the Legislature as this bill), or to one
6 of the ¹[six] ¹seven¹ alternative treatment centers issued a permit
7 pursuant to section 11 of P.L. , c. (C.) (pending before the
8 Legislature as this bill) that are expressly exempt from the
9 provisions of ¹subsubparagraph (i) of¹ subparagraph (a) of this
10 paragraph, which alternative treatment centers shall be deemed to
11 concurrently hold a medical cannabis cultivator permit, a medical
12 cannabis manufacturer permit, and a medical cannabis dispensary
13 permit, and shall be authorized to engage in any conduct authorized
14 pursuant to those permits in relation to the cultivation,
15 manufacturing, and dispensing of medical cannabis ¹[. In addition,
16 an alternative treatment center that was issued a permit prior to the
17 effective date of P.L. , c. (C.) (pending before the
18 Legislature as this bill), an alternative treatment center that was
19 issued a permit after the effective date of P.L. , c. (C.)
20 (pending before the Legislature as this bill) pursuant to an
21 application submitted prior to the effective date of P.L. ,
22 c. (C.) (pending before the Legislature as this bill), and the
23 six alternative treatment center permits issued pursuant to section
24 11 of P.L. , c. (C.) (pending before the Legislature as this
25 bill) that are expressly exempt from the provisions of subparagraph
26 (a) of this paragraph shall, upon the effective date of P.L. ,
27 c. (C.) (pending before the Legislature as Senate Bill No.
28 2703), be deemed to either hold a Class 3 Cannabis Wholesaler
29 license or concurrently hold a Class 1 Cannabis Grower license, a
30 Class 2 Cannabis Processor license, and a Class 4 Cannabis Retailer
31 license, plus an additional Class 4 Cannabis Retailer license for
32 each satellite dispensary that was approved pursuant to an
33 application submitted prior to or within 18 months after the
34 effective date of P.L. , c. (C.) (pending before the
35 Legislature as this bill), subject to the requirements of subparagraph
36 (d) of this paragraph. In no case may an alternative treatment
37 center holding a Class 3 Cannabis Wholesaler license concurrently
38 hold a Class I Cannabis Grower license, Class 2 Cannabis Processor
39 license, or Class 4 Cannabis Retailer license; and in no case may an
40 alternative treatment center holding a Class 1 Cannabis Grower
41 license, a Class 2 Cannabis Processor license, a Class 4 Cannabis
42 Retailer license, or any combination thereof, concurrently hold a
43 Class 3 Cannabis Wholesaler license. An alternative treatment
44 center issued an adult use cannabis license pursuant to this
45 subsubparagraph shall be authorized to use the same premises for

1 all activities authorized under P.L.2009, c.307 (C.24:6I-1 et al.) and
2 P.L. , c. (C.) (pending before the Legislature as Senate Bill
3 No. 2703) without being required to establish or maintain any
4 physical barriers or separations between operations related to the
5 medical use of cannabis and operations related to adult use
6 cannabis, provided that the alternative treatment center shall be
7 required to certify to the commission that the alternative treatment
8 center has sufficient quantities of medical cannabis and medical
9 cannabis products available to meet the reasonably anticipated
10 treatment needs of registered qualifying patients as a condition of
11 engaging in activities related to the growing, producing,
12 wholesaling, or retail sale of adult use cannabis, as applicable】 ;
13 provided that such alternative treatment centers shall not be
14 authorized to concurrently hold any medical cannabis wholesaler
15 permit¹ .

16 (d) No entity may be issued or concurrently hold more than one
17 medical cannabis cultivator permit, one medical cannabis
18 manufacturer permit, ¹one medical cannabis wholesaler permit,¹ or
19 one medical cannabis dispensary permit at one time, and no medical
20 cannabis dispensary shall be authorized to establish a satellite
21 location on or after the effective date of P.L. , c (C.)
22 (pending before the Legislature as this bill), except that an
23 alternative treatment center that was issued a permit prior to the
24 effective date of P.L. , c. (C.) (pending before the
25 Legislature as this bill) or that was issued a permit after the
26 effective date of P.L. , c. (C.) (pending before the
27 Legislature as this bill) pursuant to an application submitted prior to
28 the effective date of P.L. , c. (C.) (pending before the
29 Legislature as this bill) shall be authorized to maintain ¹up to two
30 satellite dispensaries, including¹ any satellite dispensary that was
31 approved pursuant to an application submitted prior to or within 18
32 months after the effective date of P.L. , c. (C.) (pending
33 before the Legislature as this bill). The ¹【six】 seven¹ alternative
34 treatment centers issued permits pursuant to section 11 of P.L. , c.
35 (C.) (pending before the Legislature as this bill) that are
36 expressly exempt from the provisions of ¹subsubparagraph (i) of¹
37 subparagraph (a) of this paragraph shall be authorized to establish
38 and maintain up to one satellite dispensary location, provided that
39 the satellite dispensary was approved pursuant to an application
40 submitted within 18 months after the effective date of P.L. , c.
41 (C.) (pending before the Legislature as this bill).

42 (e) No entity issued a medical cannabis cultivator, medical
43 cannabis manufacturer, ¹medical cannabis wholesaler,¹ or medical
44 cannabis dispensary permit may concurrently hold a clinical
45 registrant permit issued pursuant to section 13 of P.L. , c.

1 (C. _____) (pending before the legislature as this bill), and no entity
2 issued a clinical registrant permit pursuant to section 13 of P.L. _____,
3 c. _____) (pending before the Legislature as this bill) may
4 concurrently hold a medical cannabis cultivator permit, a medical
5 cannabis manufacturer permit, ¹a medical cannabis wholesaler
6 permit,¹ or a medical cannabis dispensary permit.

7 ¹(f) Any medical cannabis dispensary permit holder may be
8 approved by the commission to operate a medical cannabis
9 consumption area, provided that the permit holder otherwise meets
10 the requirements of section 28 of P.L. _____, c. _____) (pending
11 before the Legislature as this bill.¹

12 (3) The [department] commission shall seek to ensure the
13 availability of a sufficient number of [alternative treatment centers]
14 medical cannabis cultivators, medical cannabis manufacturers, and
15 medical cannabis dispensaries throughout the State, pursuant to
16 need, including at least two each in the northern, central, and
17 southern regions of the State. [The first two centers issued a permit
18 in each region shall be nonprofit entities, and centers subsequently]
19 Medical cannabis cultivators, medical cannabis manufacturers,
20 ¹medical cannabis wholesalers,¹ and medical cannabis dispensaries
21 issued permits pursuant to this section may be nonprofit or for-
22 profit entities.

23 [An alternative treatment center]

24 (4) The commission shall periodically evaluate whether the
25 number of medical cannabis cultivator, medical cannabis
26 manufacturer, ¹medical cannabis wholesaler,¹ and medical cannabis
27 dispensary permits issued are sufficient to meet the needs of
28 qualifying patients in the State, and shall make requests for
29 applications and issue such additional permits as shall be necessary
30 to meet those needs. The types of permits requested and issued, and
31 the locations of any additional permits that are authorized, shall be
32 in the discretion of the ¹[executive director] commission¹ based on
33 the needs of qualifying patients in the State.

34 (5) (a) A medical cannabis cultivator shall be authorized to:
35 acquire a reasonable initial and ongoing inventory, as determined
36 by the [department] commission, of [marijuana] cannabis seeds or
37 seedlings and paraphernalia [,] ; possess, cultivate, plant, grow,
38 harvest, [process, display, manufacture,] and package medical
39 cannabis, including prerolled forms, for any authorized purpose,
40 including, but not limited to, research purposes; and deliver,
41 transfer, transport, distribute, supply, or sell [, or dispense] medical
42 [marijuana] cannabis [, or] and related supplies to any medical
43 cannabis cultivator, medical cannabis manufacturer, ¹medical
44 cannabis wholesaler,¹ medical cannabis dispensary, or clinical

1 registrant in the State. In no case shall a medical cannabis
2 cultivator ¹【or clinical registrant】¹ operate or be located on land
3 that is valued, assessed or taxed as an agricultural or horticultural
4 use pursuant to the "Farmland Assessment Act of 1964," P.L.1964,
5 c.48 (C.54:4-23.1 et seq.).

6 (b) A medical cannabis manufacturer shall be authorized to:
7 purchase or ¹【obtain】 acquire¹ medical cannabis from any medical
8 cannabis cultivator, medical cannabis manufacturer, ¹medical
9 cannabis wholesaler,¹ or clinical registrant in the State; possess and
10 utilize medical cannabis in the manufacture, production, and
11 creation of medical cannabis products; and deliver, transfer,
12 transport, supply, or sell medical cannabis products and related
13 supplies to any medical cannabis manufacturer, ¹medical cannabis
14 wholesaler,¹ medical cannabis dispensary, or clinical registrant in
15 the State.

16 (c) ¹A medical cannabis wholesaler shall be authorized to:
17 purchase or acquire medical cannabis from a medical cannabis
18 cultivator or clinical registrant for resale to a medical cannabis
19 cultivator, medical cannabis manufacturer, medical cannabis
20 wholesaler, medical cannabis dispensary, or clinical registrant; and
21 to purchase or acquire medical cannabis products from a medical
22 cannabis manufacturer, medical cannabis wholesaler, or clinical
23 registrant for resale to another medical cannabis manufacturer,
24 medical cannabis wholesaler, medical cannabis dispensary, or
25 clinical registrant.

26 (d)¹ A medical cannabis dispensary shall be authorized to:
27 purchase or acquire medical cannabis from any medical cannabis
28 cultivator, ¹medical cannabis wholesaler,¹ medical cannabis
29 dispensary, or clinical registrant in the State and medical cannabis
30 products and related supplies from any medical cannabis
31 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
32 dispensary, or clinical registrant in the State; purchase or acquire
33 paraphernalia from any legal source; and distribute, supply, sell, or
34 dispense medical cannabis, medical cannabis products,
35 paraphernalia, and related supplies to qualifying patients or their
36 【primary】 designated or institutional caregivers who are registered
37 with the 【department】 commission pursuant to section 4 of 【this
38 act】 P.L.2009, c.307 (C.24:6I-4). 【An alternative treatment center】
39 ¹A medical cannabis dispensary may furnish medical cannabis,
40 medical cannabis products, paraphernalia, and related supplies to a
41 medical cannabis handler for delivery to a registered qualifying
42 patient, designated caregiver, or institutional caregiver consistent
43 with the requirements of subsection i. of section 27 of P.L. _____, c.
44 (C. _____) (pending before the Legislature as this bill).¹

1 (6) A medical cannabis cultivator shall not be limited in the
2 number of strains of medical [marijuana] cannabis cultivated, and a
3 medical cannabis manufacturer shall not be limited in the number or
4 type of medical cannabis products manufactured, produced, or
5 created. A medical cannabis manufacturer may package, and a
6 medical cannabis dispensary may directly dispense [marijuana]
7 medical cannabis and medical cannabis products to qualifying
8 patients and their designated and institutional caregivers in any
9 authorized form. Authorized forms shall include dried form, oral
10 lozenges, topical formulations, transdermal form, sublingual form,
11 tincture form, or edible form, or any other form as authorized by the
12 [commissioner] ¹[executive director] commission¹. Edible form
13 shall include ¹pills,¹ tablets, capsules, drops or syrups, oils,
14 ¹chewable forms,¹ and any other form as authorized by the
15 [commissioner] ¹[executive director] commission, except that the
16 edible forms made available to minor patients shall be limited to
17 forms that are medically appropriate for children, including pills,
18 tablets, capsules, chewable forms, and drops, oils, syrups, and other
19 liquids¹. [Edible forms shall be available only to qualifying
20 patients who are minors.

21 Applicants for authorization as nonprofit alternative treatment
22 centers shall be subject to all applicable State laws governing
23 nonprofit entities, but]

24 (7) ¹(a) All medical cannabis and medical cannabis products
25 packaged for dispensing to or on behalf of a registered qualifying
26 patient shall include a label that details:

27 (i) the production date of the medical cannabis or medical
28 cannabis product;

29 (ii) the strain or type of medical cannabis contained in the
30 package or used to manufacture, produce, or create the medical
31 cannabis product, as applicable, including the scientific name and
32 any brand or product name for the medical cannabis or medical
33 cannabis product;

34 (iii) the growth method for medical cannabis contained in the
35 package or used to manufacture, produce, or create the medical
36 cannabis product, including an indication as to whether the medical
37 cannabis was grown in dirt, hydroponically, or otherwise, whether
38 the medical cannabis was grown using all-organic materials, and a
39 complete list of any nonorganic pesticides, fungicides, and
40 herbicides used during the cultivation of the medical cannabis;

41 (iv) in the case of a medical cannabis product, a list of all the
42 ingredients used to manufacture, produce, or create the medical
43 cannabis product, which list shall specifically highlight potential
44 allergens contained within the product or to which the product may

1 have been exposed during the manufacturing, processing, or
2 creation process;

3 (v) in the case of a medical cannabis product, whether the
4 product requires refrigeration or other specific actions to preserve
5 the quality, integrity, and safety of the product, along with the
6 expiration date for the product, if any; and

7 (vi) information identifying the medical cannabis cultivator or
8 clinical registrant that cultivated the medical cannabis and the
9 medical cannabis manufacturer or clinical registrant that
10 manufactured, produced, or created the medical cannabis product, if
11 applicable, as well as the production batch and lot numbers of the
12 medical cannabis and, if applicable, medical cannabis product.

13 (b) In the case of medical cannabis, the label required pursuant
14 to subparagraph (a) of this paragraph shall be prepared by the
15 medical cannabis cultivator or clinical registrant that cultivated the
16 medical cannabis, and shall be affixed at the time the medical
17 cannabis is packaged for dispensing. In the case of a medical
18 cannabis product, the label required pursuant to subparagraph (a) of
19 this paragraph shall be prepared by the medical cannabis
20 manufacturer or clinical registrant that manufactured, produced, or
21 created the product, and shall be affixed at the time the product is
22 packaged for dispensing. In addition, each package of medical
23 cannabis and each medical cannabis product shall include a label
24 with the name and contact information for the medical cannabis
25 dispensary or clinical registrant that dispensed the medical cannabis
26 or medical cannabis product, which shall be affixed by the
27 dispensary or clinical registrant prior to or at the time of dispensing,
28 along with a label that includes the name and contact information
29 for the medical cannabis handler that delivered the medical
30 cannabis or medical cannabis product, if applicable, to be affixed by
31 the handler prior to delivery.

32 (c) A medical cannabis cultivator or clinical registrant that
33 furnishes medical cannabis to a medical cannabis manufacturer or
34 clinical registrant for processing shall furnish all such information
35 to the manufacturer or clinical registrant as shall be necessary to
36 prepare a label that meets the requirements of subparagraph (a) of
37 this paragraph.

38 (8)¹ Nonprofit medical cannabis cultivators, medical cannabis
39 manufacturers, ¹medical cannabis wholesalers,¹ and medical
40 cannabis dispensaries need not be recognized as a 501(c)(3)
41 organization by the federal Internal Revenue Service.

42 b. The **【department】** commission shall require that an applicant
43 provide such information as the **【department】** commission
44 determines to be necessary pursuant to regulations adopted pursuant
45 to **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.).

1 c. A person who has been convicted of a crime of the first,
 2 second, or third degree under New Jersey law or of a crime
 3 involving any controlled dangerous substance or controlled
 4 substance analog as set forth in chapter 35 of Title 2C of the New
 5 Jersey Statutes except ¹paragraph (11) or (12) of subsection b. of
 6 N.J.S.2C:35-5, or¹ paragraph ¹(3) or¹ (4) of subsection a. of
 7 N.J.S.2C:35-10, or any similar law of the United States or any other
 8 state shall not be issued a permit to operate as [an alternative
 9 treatment center] a medical cannabis cultivator, medical cannabis
 10 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
 11 dispensary, or clinical registrant or be a director, officer, or
 12 employee of [an alternative treatment center] a medical cannabis
 13 cultivator, medical cannabis manufacturer, ¹medical cannabis
 14 wholesaler,¹ medical cannabis dispensary, or clinical registrant,
 15 unless such conviction occurred after the effective date of [this act]
 16 P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of federal
 17 law relating to possession or sale of [marijuana] cannabis for
 18 conduct that is authorized under [this act] P.L.2009, c.307
 19 (C.24:6I-1 et al.) ¹[,] or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.)
 20 ¹[, or P.L. , c. (C.) (pending before the Legislature as this
 21 bill)]¹ .

22 d. (1) The [commissioner] ¹[executive director] commission¹
 23 shall require each applicant seeking a permit to operate as [an
 24 alternative treatment center] , to be a director, officer, or employee
 25 of, or to be ¹[an investor] a significantly involved person¹ in, a
 26 medical cannabis cultivator, medical cannabis manufacturer,
 27 ¹medical cannabis wholesaler,¹ medical cannabis dispensary, or
 28 clinical registrant to undergo a criminal history record background
 29 check ¹[, except that no criminal history record background check
 30 shall be required for an individual who holds less than a five
 31 percent investment interest in the medical cannabis cultivator,
 32 medical cannabis manufacturer, medical cannabis dispensary, or
 33 clinical registrant or who is a member of a group that holds less
 34 than a 20 percent investment interest in the medical cannabis
 35 cultivator, medical cannabis manufacturer, medical cannabis
 36 dispensary, or clinical registrant where no member of the group
 37 holds more than a five percent interest in the total group investment
 38 interest, and the individual or group lacks the authority to make
 39 controlling decisions regarding medical cannabis cultivator, medical
 40 cannabis manufacturer, medical cannabis dispensary, or clinical
 41 registrant operations.]¹ .

42 ¹[In the event that an] Any¹ individual ¹[who is exempt from
 43 the criminal history record background check requirement of this

1 section subsequently acquires an investment interest of five percent
2 or more in the **】** seeking to become a director, officer, or employee
3 of a¹ medical cannabis cultivator, medical cannabis manufacturer,
4 ¹medical cannabis wholesaler,¹ medical cannabis dispensary, or
5 clinical registrant, ¹【or a group that is exempt from the criminal
6 history record background check requirement of this section
7 subsequently acquires an investment interest of 20 percent or more
8 in the medical cannabis cultivator, medical cannabis manufacturer,
9 medical cannabis dispensary, or clinical registrant or any member
10 of the group acquires more than a five percent interest in the total
11 group investment interest, or the individual or group gains the
12 authority to make controlling decisions regarding medical cannabis
13 cultivator, medical cannabis manufacturer, medical cannabis
14 dispensary, or clinical registrant operations, the individual or the
15 members of the group, as applicable.】 after issuance of an initial
16 permit¹ shall notify the commission and shall complete a criminal
17 history record background check and provide all information as
18 may be required by the commission ¹as a condition of assuming a
19 position as director, officer, or employee of the permitted entity.
20 An individual who incurs an investment interest or gains the
21 authority to make controlling decisions in a permitted entity that
22 makes the individual a significantly involved person shall notify the
23 commission, complete a criminal history record background check,
24 and provide all information as may be required by the commission¹
25 no later than 30 days after ¹【the date that such change occurs】 the
26 date the individual becomes a significantly involved person¹ , or
27 any permit issued to the individual or group ¹of which the
28 significantly involved person is a member¹ shall be revoked and the
29 individual or group shall be deemed ineligible to hold any
30 ownership or investment interest in a medical cannabis cultivator,
31 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
32 medical cannabis dispensary, or clinical registrant for a period of
33 ¹at least¹ two years, commencing from the date of revocation ¹, and
34 for such additional period of time as the commission deems
35 appropriate, based on the duration of the nondisclosure, the size of
36 the individual's or group's investment interest in the permitted
37 entity, the amount of profits, revenue, or income realized by the
38 individual or group from the permitted entity during the period of
39 nondisclosure, and whether the individual had a disqualifying
40 conviction or would otherwise have been deemed ineligible to be a
41 significantly involved person in a medical cannabis cultivator,
42 medical cannabis manufacturer, medical cannabis wholesaler,
43 medical cannabis dispensary, or clinical registrant¹ .

1 For purposes of this section, the term "applicant" shall include
2 any owner, director, officer, or employee of **[an alternative**
3 **treatment center]** , and any **'[investor] significantly involved**
4 **person¹ in, a medical cannabis cultivator, medical cannabis**
5 **manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis**
6 **dispensary, or clinical registrant ¹[, but shall not include any**
7 **individual or group that is exempt from the criminal history record**
8 **background check requirements of this section, which individuals**
9 **and groups shall not be required to complete any portion of an**
10 **initial or renewal permit application unless the individual or group**
11 **subsequently becomes subject to the criminal history record**
12 **background check requirement as provided in this section, in which**
13 **case the individual or group shall be required to provide all**
14 **information as may be required by the commission within 30 days**
15 **of the change or any permit issued to the individual or group shall**
16 **be revoked and the individual or group shall be deemed ineligible to**
17 **hold any ownership or investment interest in a medical cannabis**
18 **cultivator, medical cannabis manufacturer, medical cannabis**
19 **dispensary, or clinical registrant for a period of two years,**
20 **commencing from the date of revocation]¹ . The [commissioner]**
21 **'[executive director] commission¹** is authorized to exchange
22 fingerprint data with and receive criminal history record
23 background information from the Division of State Police and the
24 Federal Bureau of Investigation consistent with the provisions of
25 applicable federal and State laws, rules, and regulations. The
26 Division of State Police shall forward criminal history record
27 background information to the **[commissioner]** **'[executive**
28 **director] commission¹** in a timely manner when requested pursuant
29 to the provisions of this section.

30 An applicant who is required to undergo a criminal history
31 record background check pursuant to this section shall submit to
32 being fingerprinted in accordance with applicable State and federal
33 laws, rules, and regulations. No check of criminal history record
34 background information shall be performed pursuant to this section
35 unless the applicant has furnished **[his]** the applicant's written
36 consent to that check. An applicant who is required to undergo a
37 criminal history record background check pursuant to this section
38 who refuses to consent to, or cooperate in, the securing of a check
39 of criminal history record background information shall not be
40 considered for a permit to operate, or authorization to be employed
41 at or to be ¹[an investor] a significantly involved person¹ in, [an
42 alternative treatment center] a medical cannabis cultivator, medical
43 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
44 cannabis dispensary, or clinical registrant. An applicant shall bear

1 the cost for the criminal history record background check, including
2 all costs of administering and processing the check.

3 (2) The **【commissioner】** ¹**【executive director】** commission¹
4 shall not approve an applicant for a permit to operate, or
5 authorization to be employed at or to be ¹**【an investor】** a
6 significantly involved person¹ in, **【an alternative treatment center】**
7 a medical cannabis cultivator, medical cannabis manufacturer,
8 ¹medical cannabis wholesaler,¹ medical cannabis dispensary, or
9 clinical registrant if the criminal history record background
10 information of the applicant reveals a disqualifying conviction as
11 set forth in subsection c. of this section.

12 (3) Upon receipt of the criminal history record background
13 information from the Division of State Police and the Federal
14 Bureau of Investigation, the **【commissioner】** ¹**【executive director】**
15 commission¹ shall provide written notification to the applicant of
16 **【his】** the applicant's qualification for or disqualification for a
17 permit to operate or be a director, officer, or employee of **【an**
18 **alternative treatment center】** , or ¹**【an investor】** a significantly
19 involved person¹ in, a medical cannabis cultivator, medical
20 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
21 cannabis dispensary, or clinical registrant.

22 If the applicant is disqualified because of a disqualifying
23 conviction pursuant to the provisions of this section, the conviction
24 that constitutes the basis for the disqualification shall be identified
25 in the written notice.

26 (4) The Division of State Police shall promptly notify the
27 **【commissioner】** ¹**【executive director】** commission¹ in the event
28 that an individual who was the subject of a criminal history record
29 background check conducted pursuant to this section is convicted of
30 a crime or offense in this State after the date the background check
31 was performed. Upon receipt of that notification, the
32 **【commissioner】** ¹**【executive director】** commission¹ shall make a
33 determination regarding the continued eligibility to operate or be a
34 director, officer, or employee of **【an alternative treatment center】** ,
35 or ¹**【an investor】** a significantly involved person¹ in, a medical
36 cannabis cultivator, medical cannabis manufacturer, ¹medical
37 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
38 registrant.

39 (5) Notwithstanding the provisions of subsection **【b.】** c. of this
40 section to the contrary, the **【commissioner】** ¹**【executive director】**
41 commission¹ may offer provisional authority for an applicant to be
42 an owner, director, officer, or employee of **【an alternative treatment**
43 **center】** , or ¹**【an investor】** a significantly involved person¹ in, a

1 medical cannabis cultivator, medical cannabis manufacturer,
2 ¹medical cannabis wholesaler,¹ medical cannabis dispensary, or
3 clinical registrant for a period not to exceed three months if the
4 applicant submits to the **[commissioner]** ¹**[executive director]**
5 commission¹ a sworn statement attesting that the person has not
6 been convicted of any disqualifying conviction pursuant to this
7 section.

8 (6) Notwithstanding the provisions of subsection **[b.] c.** of this
9 section to the contrary, no applicant to be an owner, director,
10 officer, or employee of [an alternative treatment center] , or ¹[an
11 investor] a significantly involved person¹ in, a medical cannabis
12 cultivator, medical cannabis manufacturer, ¹medical cannabis
13 wholesaler,¹ medical cannabis dispensary, or clinical registrant
14 shall be disqualified on the basis of any conviction disclosed by a
15 criminal history record background check conducted pursuant to
16 this section if the individual has affirmatively demonstrated to the
17 **[commissioner]** ¹**[executive director]** commission¹ clear and
18 convincing evidence of rehabilitation. In determining whether clear
19 and convincing evidence of rehabilitation has been demonstrated,
20 the following factors shall be considered:

21 (a) the nature and responsibility of the position which the
22 convicted individual would hold, has held, or currently holds;

23 (b) the nature and seriousness of the crime or offense;

24 (c) the circumstances under which the crime or offense
25 occurred;

26 (d) the date of the crime or offense;

27 (e) the age of the individual when the crime or offense was
28 committed;

29 (f) whether the crime or offense was an isolated or repeated
30 incident;

31 (g) any social conditions which may have contributed to the
32 commission of the crime or offense; and

33 (h) any evidence of rehabilitation, including good conduct in
34 prison or in the community, counseling or psychiatric treatment
35 received, acquisition of additional academic or vocational
36 schooling, successful participation in correctional work-release
37 programs, or the recommendation of those who have had the
38 individual under their supervision.

39 e. The **[department]** commission shall issue a permit to **[a**
40 **person to]** operate **[as an alternative treatment center]** or be an
41 owner, director, officer, or employee of, or ¹[an investor] a
42 significantly involved person¹ in, a medical cannabis cultivator,
43 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹ or
44 medical cannabis dispensary if the **[department]** commission finds

1 that issuing such a permit would be consistent with the purposes of
2 **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.) and the requirements of
3 this section and section 11 of P.L. , c. (C.) (pending before
4 the Legislature as this bill) are met **【and the department has verified**
5 **the information contained in the application. The department shall**
6 **approve or deny an application within 60 days after receipt of a**
7 **completed application】**. The denial of an application shall be
8 considered a final agency decision, subject to review by the
9 Appellate Division of the Superior Court. **【The department may**
10 **suspend or revoke a permit to operate as an alternative treatment**
11 **center for cause, which shall be subject to review by the Appellate**
12 **Division of the Superior Court】** ¹**【An initial】** A¹ permit to operate a
13 medical cannabis cultivator, medical cannabis manufacturer,
14 ¹medical cannabis wholesaler,¹ or medical cannabis dispensary
15 issued on or after the effective date of P.L. , c. (C.)
16 (pending before the Legislature as this bill) shall be valid for
17 ¹**【three years. Medical cannabis cultivator, medical cannabis**
18 **manufacturer, and medical cannabis dispensary permits shall be**
19 **renewable biennially】** one year and shall be renewable annually¹.

20 f. A person who has been issued a permit pursuant to this
21 section ¹**【, a conditional permit pursuant to section 11 of P.L. ,**
22 **c. (C.) (pending before the Legislature as this bill),】¹ or a**
23 **clinical registrant permit pursuant to section 13 of P.L. ,**
24 **c. (C.) (pending before the Legislature as this bill) shall**
25 **display the permit ¹【or conditional permit】¹ at the front entrance to**
26 **the premises of the **【alternative treatment center】 permitted facility****
27 **at all times when **【marijuana is being produced, or dispensed to a****
28 **registered qualifying patient or the patient's primary caregiver】 the**
29 **facility is engaged in conduct authorized pursuant to P.L.2009,**
30 **c.307 (C.24:6I-1 et al.) involving medical cannabis, including, but**
31 **not limited to, the cultivating, manufacturing, ¹warehousing,**
32 **resale,¹ or dispensing of medical cannabis.**

33 g. **【An alternative treatment center】** A medical cannabis
34 cultivator, medical cannabis manufacturer, ¹medical cannabis
35 wholesaler,¹ medical cannabis dispensary, or clinical registrant
36 shall report any change in information to the **【department】**
37 commission not later than 10 days after such change, or the permit
38 shall be deemed null and void.

39 h. **【An alternative treatment center may charge a registered**
40 **qualifying patient or primary caregiver for the reasonable costs**
41 **associated with the production and distribution of marijuana for the**
42 **cardholder】** ¹**【(1) Each medical cannabis cultivator shall maintain**
43 **and make available through its Internet website, if any, a standard**

1 price list that shall apply to all medical cannabis, which prices shall
2 be reasonable and consistent with the actual costs incurred by the
3 medical cannabis cultivator in connection with cultivating the
4 medical cannabis. The prices charged by the medical cannabis
5 cultivator shall not deviate from the prices indicated on the
6 facility's current price list.

7 (2) Each medical cannabis manufacturer shall maintain and
8 make available through its Internet website, if any, a standard price
9 list that shall apply to all medical cannabis products sold by the
10 medical cannabis manufacturer to other medical cannabis
11 manufacturers and to medical cannabis dispensaries and clinical
12 registrants, which prices shall be reasonable and consistent with the
13 actual costs incurred by the medical cannabis manufacturer in
14 connection with producing the medical cannabis product. The
15 prices charged by the medical cannabis manufacturer shall not
16 deviate from the prices indicated on the facility's current price list.

17 (3) Each clinical registrant shall maintain and make available
18 through its Internet website, if any, a standard price list that shall
19 apply to all medical cannabis sold by the clinical registrant to other
20 clinical registrants and to medical cannabis cultivators, medical
21 cannabis manufacturers, and medical cannabis dispensaries and to
22 all medical cannabis products sold by the clinical registrant to other
23 clinical registrants and to medical cannabis manufacturers and
24 medical cannabis dispensaries, which prices shall be reasonable and
25 consistent with the actual costs incurred by the clinical registrant in
26 connection with cultivating the medical cannabis or producing the
27 medical cannabis product. The prices charged by the clinical
28 registrant shall not deviate from the prices indicated on the clinical
29 registrant's current price list. Any prices a clinical registrant
30 charges to a qualifying patient, designated caregiver, or institutional
31 caregiver for medical cannabis, medical cannabis products, and
32 related supplies and paraphernalia shall be reasonable and
33 consistent with the actual costs incurred by the clinical registrant in
34 connection with cultivating, producing, acquiring, or dispensing the
35 medical cannabis or medical cannabis product and related supplies
36 and paraphernalia. A clinical registrant may establish a written
37 policy for making medical cannabis available at a reduced price or
38 without charge to qualifying patients who have a demonstrated
39 financial hardship, as that term shall be defined by the commission
40 by regulation.

41 (4) Any prices a medical cannabis dispensary charges to another
42 medical cannabis dispensary or to a clinical registrant, qualifying
43 patient, designated caregiver, or institutional caregiver for medical
44 cannabis, medical cannabis products, and related supplies and
45 paraphernalia shall be reasonable and consistent with the actual
46 costs incurred by the medical cannabis dispensary in connection

1 with acquiring and selling, transferring, or dispensing the medical
2 cannabis or medical cannabis product and related supplies and
3 paraphernalia. A medical cannabis dispensary may establish a
4 written policy for making medical cannabis available at a reduced
5 price or without charge to qualifying patients who have a
6 demonstrated financial hardship, as that term shall be defined by the
7 commission by regulation.

8 (5) A price list required under paragraphs (1), (2), or (3) of]
9 Each medical cannabis dispensary and clinical registrant shall
10 maintain and make available on its Internet website, if any, a
11 standard price list that shall apply to all medical cannabis, medical
12 cannabis products, and related supplies and paraphernalia sold or
13 dispensed by the medical cannabis dispensary or clinical registrant,
14 which prices shall be reasonable and consistent with the actual costs
15 incurred by the medical cannabis dispensary or clinical registrant in
16 connection with acquiring and selling, transferring, or dispensing
17 the medical cannabis or medical cannabis product and related
18 supplies and paraphernalia. The prices charged by medical
19 cannabis dispensary or clinical registrant shall not deviate from the
20 prices indicated on the entity's current price list. A price list
21 required pursuant to¹ this subsection may be revised no more than
22 once per month, and each medical cannabis ¹[cultivator, medical
23 cannabis manufacturer,] dispensary¹ and clinical registrant shall be
24 responsible for ensuring that the commission has a copy of the
25 facility's current price list. A medical cannabis ¹[cultivator,
26 medical cannabis manufacturer,] dispensary¹ or clinical registrant
27 shall be liable to a civil penalty of \$1,000 for each sale that occurs
28 at a price that deviates from the entity's current price list, and to a
29 civil penalty of \$10,000 for each week during which the entity's
30 current price list is not on file with the commission. Any civil
31 penalties collected by the commission pursuant to this section shall
32 be used by the commission for the purposes of administering the
33 State medical cannabis program.

34 i. The [commissioner] ¹[executive director] commission¹
35 shall adopt regulations to:

36 (1) require such written documentation of each delivery ¹or
37 dispensation¹ of [marijuana] cannabis to, and pickup of
38 [marijuana] cannabis for, a registered qualifying patient, including
39 the date and amount dispensed ¹, and, in the case of delivery, the
40 date and times the at the delivery commenced and was completed,
41 the address where the medical cannabis was delivered, the name of
42 the patient or caregiver to whom the medical cannabis was
43 delivered, and the name, handler certification number, and delivery
44 certification number of the medical cannabis handler who

1 performed the delivery¹, to be maintained in the records of the
2 **[alternative treatment center]** medical cannabis dispensary or
3 clinical registrant, as the **[commissioner]** ¹**[executive director]**
4 commission¹ determines necessary to ensure effective
5 documentation of the operations of each **[alternative treatment**
6 **center]** medical cannabis dispensary or clinical registrant;

7 (2) monitor, oversee, and investigate all activities performed by
8 **[an alternative treatment center]** medical cannabis cultivators,
9 medical cannabis manufacturers, ¹medical cannabis wholesalers,¹
10 medical cannabis dispensaries, and clinical registrants; **[and]**

11 (3) ensure adequate security of all facilities 24 hours per day **[,**
12 **including production and retail locations,]** and security of all
13 delivery methods to registered qualifying patients; and

14 (4) establish thresholds for administrative action to be taken
15 against a medical cannabis cultivator, medical cannabis
16 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
17 dispensary, or clinical registrant and its employees, officers,
18 investors, directors, or governing board pursuant to subsection m. of
19 this section, including, but not limited to, specific penalties or
20 disciplinary actions that may be imposed in a summary proceeding.

21 j. (1) Each medical cannabis cultivator, medical cannabis
22 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
23 dispensary, and clinical registrant shall require the owners,
24 directors, officers, and employees at the permitted facility to
25 complete at least eight hours of ongoing training each calendar
26 year. The training shall be tailored to the roles and responsibilities
27 of the individual's job function, and shall include training on
28 confidentiality and such other topics as shall be required by the
29 commission.

30 (2) Each medical cannabis dispensary and clinical registrant
31 shall consider whether to make interpreter services available to the
32 population served, including for individuals with a visual or hearing
33 impairment. The commission shall provide assistance to any
34 medical cannabis dispensary or clinical registrant that seeks to
35 provide such services in locating appropriate interpreter resources.
36 A medical cannabis dispensary or clinical registrant shall assume
37 the cost of providing interpreter services pursuant to this
38 subsection.

39 k. ¹(1)¹ The first six alternative treatment centers issued
40 permits following the effective date of P.L.2009, c.307 (C.24:6I-1
41 et al.) shall be authorized to sell or transfer such permit and other
42 assets to a for-profit entity, provided that: the sale or transfer is
43 approved by the commission; each owner, director, officer, and
44 employee of, and ¹**[investor]** significantly involved person¹ in, the

1 entity seeking to purchase or receive the transfer of the permit,
2 undergoes a criminal history record background check pursuant to
3 subsection d. of this section, provided that nothing in this
4 subsection shall be construed to require any individual to undergo a
5 criminal history record background check if the individual would
6 otherwise be exempt from undergoing a criminal history record
7 background check pursuant to subsection d. of this section; the
8 commission finds that the sale or transfer of the permit would be
9 consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.);
10 and no such sale or transfer shall be authorized more than one year
11 after the effective date of P.L. , c. (C.) (pending before the
12 Legislature as this bill). The sale or transfer of a permit pursuant to
13 this subsection shall not be subject to the requirements of the “New
14 Jersey Nonprofit Corporation Act,” N.J.S.15A:1-1 et seq., provided
15 that, prior to or at the time of the sale or transfer, all debts and
16 obligations of the nonprofit entity are either paid in full or assumed
17 by the for-profit entity purchasing or acquiring the permit, or a
18 reserve fund is established for the purpose of paying in full the
19 debts and obligations of the nonprofit entity, and the for-profit
20 entity pays the full value of all assets held by the nonprofit entity,
21 as reflected on the nonprofit entity’s balance sheet, in addition to
22 the agreed-upon price for the sale or transfer of the entity’s
23 alternative treatment center permit. Until such time as the members
24 of the Cannabis Regulatory Commission are appointed and the
25 commission first organizes, the Department of Health shall have
26 full authority to approve a sale or transfer pursuant to this
27 ’[subsection. No other entity holding a permit issued pursuant to
28 this section or pursuant to section 13 of P.L. , c. (C.)
29 (pending before the Legislature as this bill) shall be authorized to
30 sell or transfer such permit to any other entity at any time]
31 paragraph¹ .

32 ¹(2) The sale or transfer of any interest of five percent or more in
33 a medical cannabis cultivator, medical cannabis manufacturer,
34 medical cannabis wholesaler, medical cannabis dispensary, or
35 clinical registrant permit shall be subject to approval by the
36 commission and conditioned on the entity that is purchasing or
37 receiving transfer of the interest in the medical cannabis cultivator,
38 medical cannabis manufacturer, medical cannabis wholesaler,
39 medical cannabis dispensary, or clinical registrant permit
40 completing a criminal history record background check pursuant to
41 the requirements of subsection d. of this section.¹

42 1. No employee of any department, division, agency, board, or
43 other State, county, or local government entity involved in the
44 process of reviewing, processing, or making determinations with
45 regard to medical cannabis cultivator, medical cannabis

1 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
2 dispensary, or clinical registrant permit applications shall have any
3 direct or indirect financial interest in the cultivating, manufacturing,
4 or dispensing of medical cannabis or related paraphernalia, or
5 otherwise receive anything of value from an applicant for a medical
6 cannabis cultivator, medical cannabis manufacturer, ¹medical
7 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
8 registrant permit in exchange for reviewing, processing, or making
9 any recommendations with respect to a permit application.

10 m. In the event that a medical cannabis cultivator, medical
11 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
12 cannabis dispensary, or clinical registrant fails to comply with any
13 requirements set forth in P.L.2009, c.307 (C.24:6I-1 et al.)
14 ¹[, P.L. , c. (C.) (pending before the Legislature as this
15 bill),¹ or any related law or regulation, the commission may
16 invoke penalties or take administrative action against the medical
17 cannabis cultivator, medical cannabis manufacturer, ¹medical
18 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
19 registrant and its employees, officers, investors, directors, or
20 governing board, including, but not limited to, assessing fines,
21 referring matters to another State agency, and suspending or
22 terminating any permit held by the medical cannabis cultivator,
23 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
24 medical cannabis dispensary, or clinical registrant. Any penalties
25 imposed or administrative actions taken by the commission
26 pursuant to this subsection may be imposed in a summary
27 proceeding.

28 (cf: P.L.2013, c.160, s.2)

1 11. (New section) ¹a.¹ The commission shall, no later than 90
2 days after the effective date of P.L. , c. (C.) (pending
3 before the Legislature as this bill) or upon adoption of rules and
4 regulations as provided in subsection c. of section 18 of P.L.2009,
5 c.307 (C.24:6I-16), whichever occurs first, begin accepting and
6 processing applications for new medical cannabis cultivator,
7 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
8 and medical cannabis dispensary permits. Notwithstanding the
9 provisions of ¹subsubparagraph (i) of¹ subparagraph (a) of
10 paragraph (2) of subsection a. of section 7 of P.L.2009, c.307
11 (C.24:6I-7), the first ¹**【six】** seven¹ alternative treatment center
12 permits issued by the commission pursuant to an application
13 submitted on or after the effective date of P.L. , c. (C.)
14 (pending before the Legislature as this bill) shall be deemed to
15 concurrently hold a medical cannabis cultivator permit, a medical
16 cannabis manufacturer permit, and a medical cannabis dispensary
17 permit ¹; of these seven, at least one permit shall be issued to an
18 applicant located in the northern region of the State, at least one
19 permit shall be issued to an applicant located in the central region
20 of the State, and at least one permit shall be issued to an applicant
21 located in the southern region of the State¹ . Any permits issued by
22 the commission thereafter shall be subject to the provisions of
23 ¹subsubparagraph (i) of¹ subparagraph (a) of paragraph (2) of
24 subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7) ¹, and the
25 requirements of subsection d. of this section concerning conditional
26 permits¹ .

27 ¹b.¹ The commission may establish nonrefundable application
28 fees for permit applications ¹and conditional permit applications,¹
29 and permit ¹and conditional permit¹ fees for successful applicants.

30 ¹c. (1)¹ The commission shall make a determination as to any
31 permit application ¹, other than an application for a conditional
32 permit submitted pursuant to subsection d. of this section,¹ no later
33 than 90 days after receiving the application, which may include a
34 determination that the commission reasonably requires more time to
35 adequately review the application. ¹**【The commission may issue a**
36 **conditional permit to an applicant pending the commission's final**
37 **determination on the applicant's permit application, provided the**
38 **applicant submits a sworn statement attesting that no person named**
39 **in the permit application has been convicted of any disqualifying**
40 **conviction pursuant to subsection c. of section 7 of P.L.2009, c.307**
41 **(C.24:6I-7) or that, if a person named in the application has been**
42 **convicted of a disqualifying conviction, the person has or will**
43 **submit evidence of rehabilitation. The commission shall determine**
44 **by regulation which permit requirements are necessary for the**

1 issuance of a conditional permit pursuant to this section and the
2 scope of conduct authorized under a conditional permit, and shall
3 establish the terms, conditions, and restrictions for such conditional
4 permit as may be necessary and appropriate.】¹

5 ¹(2)¹ The commission shall issue a permit ¹, other than a
6 conditional permit.¹ to an approved applicant at such time as the
7 commission completes the application review process and any
8 mandatory inspections, and determines that the applicant is in
9 compliance with and is implementing the plans, procedures,
10 protocols, actions, or other measures set forth in the applicant's
11 permit application submitted pursuant to section 12 of P.L. , c.
12 (C.) (pending before the Legislature as this bill), did maintain
13 compliance with the terms, conditions, or restrictions of a
14 conditional permit issued to the applicant, if applicable, and is
15 otherwise in compliance with the requirements of P.L.2009, c.307
16 (C.24:6I-1 et al.) ¹【and P.L. , c. (C.) (pending before the
17 Legislature as this bill)】¹ .

18 ¹d. (1) The commission shall ensure that at least one third of
19 the total permits issued for each type of medical cannabis permit are
20 conditional permits, which one-third figure shall include any
21 conditional permit issued to an applicant which is subsequently
22 converted by the commission into a full permit pursuant to
23 paragraph (4) of this subsection and any conditional permit,
24 including a converted permit, issued to a microbusiness pursuant to
25 subsection e. of this section. The requirements of this subsection
26 shall not apply to permits issued to clinical registrants or to permits
27 issued to the seven alternative treatment centers issued a permit
28 pursuant to subsection a. of this section that are expressly exempt
29 from the provisions of subparagraph (i) of subparagraph (a) of
30 paragraph (2) of subsection a. of section 7 of P.L.2009, c.307
31 (C.24:6I-7).

32 (2) An application for a conditional permit shall include:

33 (a) documentation that the applicant entity includes at least one
34 significantly involved person who has resided in this State for at
35 least two years as of the date of the application;

36 (b) a list of all owners, officers, directors, and employees of,
37 and significantly involved persons in, the proposed medical
38 cannabis entity, including their names, addresses, dates of birth,
39 resumes, and a photocopy of their driver's licenses or other
40 government-issued form of identification;

41 (c) a criminal history record background check completed
42 pursuant to subsection d. of section 7 of P.L.2009, c.307 (C.24:6I-7)
43 for each owner, officer, director, and employee of, and each
44 significantly involved person in, the proposed medical cannabis

1 entity, provided that a conditional permit may be issued pending the
2 results of a criminal history record background check;
3 (d) documentation that each significantly involved person in the
4 proposed medical cannabis entity has, for the immediately
5 preceding taxable year, an adjusted gross income of no more than
6 \$200,000 or no more than \$400,000 if filing jointly with another;
7 (e) a certification that each significantly involved person in the
8 proposed medical cannabis entity does not have any financial
9 interest in an entity applying for any other medical cannabis permit,
10 or in an entity that currently holds a permit issued pursuant to
11 section 7 of P.L.2009, c.307 (C.24:6I-7);
12 (f) the federal and State tax identification numbers for the
13 proposed medical cannabis entity, and proof of business registration
14 with the Division of Revenue in the Department of the Treasury;
15 (g) information about the proposed medical cannabis entity,
16 including its legal name, any registered alternate name under which
17 it may conduct business, and a copy of its articles of organization
18 and bylaws;
19 (h) the business plan and management operation profile for the
20 proposed medical cannabis entity;
21 (i) the plan by which the applicant intends to obtain appropriate
22 liability insurance coverage for the proposed medical cannabis
23 entity; and
24 (j) any other requirements established by the commission
25 pursuant to regulation.
26 (3) The commission shall make a determination on an
27 application for a conditional permit within 30 days after the date the
28 application is received. A determination made pursuant to this
29 paragraph may include a determination that the commission
30 requires more time to adequately review the application. The
31 commission shall approve a permit application that meets the
32 requirements of this subsection unless the commission finds by
33 clear and convincing evidence that the applicant would be
34 manifestly unsuitable to perform the activities authorized for the
35 permit sought by the applicant. The commission shall deny a
36 conditional permit to any applicant who fails to provide
37 information, documentation, and assurances as required by this
38 subsection; who fails to reveal any fact material to qualification; or
39 who supplies information that is untrue or misleading as to a
40 material fact pertaining to the qualification criteria for issuance of a
41 conditional permit. If the application is denied, the commission
42 shall notify the applicant in writing of the specific reason for its
43 denial and provide the applicant with the opportunity for a hearing
44 in accordance with the “Administrative Procedure Act,” P.L.1968,
45 c.410 (C.52:14B-1 et seq.).

1 (4) The commission shall furnish to each entity issued a
2 conditional permit a list of the requirements that the entity will be
3 required to comply with within 120 days after issuance of the
4 conditional permit. If the commission subsequently determines
5 that, during the 120-day period, the conditional permit holder is in
6 compliance with all applicable conditions and is implementing the
7 plans, procedures, protocols, actions, or other measures set forth in
8 its application, the commission shall convert the conditional permit
9 into a full permit, which will expire one year from its date of
10 issuance and be subject to annual renewal; if the commission
11 determines that the conditional permit holder is not in compliance
12 with all applicable conditions or not implementing the plans,
13 procedures, protocols, actions, or other measures set forth in its
14 application, the conditional permit shall automatically expire at the
15 end of the 120-day period, or, at the discretion of the commission,
16 may be revoked prior to the end of the 120-day period.

17 (5) A conditional permit issued pursuant this subsection may not
18 be sold or transferred.

19 e. (1) The commission shall ensure that at least 10 percent of
20 the total permits issued for each medical cannabis permit type, other
21 than a clinical registrant permit, are designated for and only issued
22 to microbusinesses, and that at least 25 percent of the total permits
23 issued be issued to microbusinesses. A microbusiness may be
24 issued a full annual permit pursuant to section 7 of P.L.2009, c.307
25 (C.24:6I-7) or a conditional permit pursuant to subsection d. of this
26 section. The maximum fee assessed by the commission for issuance
27 or renewal of a permit issued to a microbusiness shall be no more
28 than half the fee applicable to a permit of the same type issued to a
29 person or entity that is not a microbusiness. A permit issued to a
30 microbusiness shall be valid for one year and may be renewed
31 annually.

32 (2) A microbusiness shall meet the following requirements:

33 (a) 100 percent of the ownership interest in the microbusiness
34 shall be held by current New Jersey residents who have resided in
35 the State for at least the past two consecutive years;

36 (b) at least 51 percent of the owners, directors, officers, and
37 employees of the microbusiness shall be residents of the
38 municipality in which the microbusiness is or will be located, or a
39 municipality bordering the municipality in which the microbusiness
40 is or will be located;

41 (c) the microbusiness shall employ no more than 10 employees
42 at one time, inclusive of any owners, officers, and directors of the
43 microbusiness;

44 (d) the microbusiness shall not exceed the following size and
45 capacity restrictions:

- 1 (i) the entire microbusiness facility shall occupy an area of no
2 more than 2,500 square feet;
- 3 (ii) in the case of a microbusiness that is a medical cannabis
4 cultivator, the total medical cannabis grow area shall not exceed
5 2,500 square feet, measured on a horizontal plane, shall grow no
6 higher than 24 feet above that plane, and shall possess a total of no
7 more than 1,000 plants, including mature and immature medical
8 cannabis plants, but not including seedlings;
- 9 (iii) in the case of a microbusiness that is a medical cannabis
10 manufacturer, the manufacturer shall acquire and process no more
11 than 1,000 pounds of medical cannabis in dried form each month;
- 12 (iv) in the case of a microbusiness that is a medical cannabis
13 wholesaler, the wholesaler shall acquire for resale no more than
14 1,000 pounds of medical cannabis in dried form, or the equivalent
15 amount of medical cannabis products based on the dosage
16 equivalency guidelines developed by the commission, or any
17 combination thereof, each month; and
- 18 (v) in the case of a microbusiness that is a medical cannabis
19 dispensary, the dispensary shall acquire no more than 1,000 pounds
20 of medical cannabis in dried form, or the equivalent amount in any
21 other form, or any combination thereof, for dispensing to or on
22 behalf of registered qualifying patients each month; and
- 23 (e) the microbusiness shall comply with such other requirements
24 as may be established by the commission by regulation.¹

25

26 12. (New section) a. Each application for ¹[an initial three-
27 year] ¹a¹ medical cannabis cultivator permit, medical cannabis
28 manufacturer permit, ¹medical cannabis wholesaler permit,¹ and
29 medical cannabis dispensary permit, and each application for
30 ¹[biennial] ¹annual¹ renewal of such permit, ¹including permit and
31 renewal applications for microbusinesses that meet the requirements
32 of subsection e. of section 11 of P.L. , c. (C.) (pending
33 before the Legislature as this bill),¹ shall be submitted to the
34 commission. A full, separate application shall be required for each
35 initial permit requested by the applicant and for each location at
36 which an applicant seeks to operate, regardless of whether the
37 applicant was previously issued ¹[, or currently holds,]¹ a medical
38 cannabis cultivator, medical cannabis manufacturer, ¹medical
39 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
40 registrant permit ¹, and regardless of whether the applicant currently
41 holds a medical cannabis cultivator, medical cannabis manufacturer,
42 medical cannabis wholesaler, or medical cannabis dispensary
43 permit¹. Renewal applications shall be submitted to the
44 commission on a form and in a manner as shall be specified by the

1 commission no later than 90 days before the date the current permit
2 will expire.

3 b. An initial permit application shall be evaluated according to
4 criteria to be developed by the commission. The commission shall
5 determine the point values to be assigned to each criterion, which
6 shall include bonus points for applicants who are residents of New
7 Jersey.

8 c. The criteria to be developed by the commission pursuant to
9 subsection b. of this section shall include, in addition to the criteria
10 set forth in subsections d. and e. of this section and any other
11 criteria developed by the commission, an analysis of the applicant's
12 operating plan, excluding safety and security criteria, which shall
13 include the following:

14 (1) In the case of an applicant for a medical cannabis cultivator
15 permit, the operating plan summary shall include a written
16 description concerning the applicant's qualifications for, experience
17 in, and knowledge of each of the following topics:

- 18 (a) State-authorized cultivation of medical cannabis;
- 19 (b) conventional horticulture or agriculture, familiarity with
20 good agricultural practices, and any relevant certifications or
21 degrees;
- 22 (c) quality control and quality assurance;
- 23 (d) recall plans;
- 24 (e) packaging and labeling;
- 25 (f) inventory control and tracking software or systems for the
26 production of medical cannabis;
- 27 (g) analytical chemistry and testing of medical cannabis;
- 28 (h) water management practices;
- 29 (i) odor mitigation practices;
- 30 (j) onsite and offsite recordkeeping;
- 31 (k) strain variety and plant genetics;
- 32 (l) pest control and disease management practices, including
33 plans for the use of pesticides, nutrients, and additives;
- 34 (m) waste disposal plans; and
- 35 (n) compliance with applicable laws and regulations.

36 (2) In the case of an applicant for a medical cannabis
37 manufacturer permit, the operating plan summary shall include a
38 written description concerning the applicant's qualifications for,
39 experience in, and knowledge of each of the following topics:

- 40 (a) State-authorized manufacture, production, and creation of
41 cannabis products using appropriate extraction methods, including
42 intended use and sourcing of extraction equipment and associated
43 solvents or intended methods and equipment for non-solvent
44 extraction;
- 45 (b) pharmaceutical manufacturing, good manufacturing
46 practices, and good laboratory practices;

- 1 (c) quality control and quality assurance;
 - 2 (d) recall plans;
 - 3 (e) packaging and labeling;
 - 4 (f) inventory control and tracking software or systems for the
 - 5 production of medical cannabis;
 - 6 (g) analytical chemistry and testing of medical cannabis and
 - 7 medical cannabis products and formulations;
 - 8 (h) water management practices;
 - 9 (i) odor mitigation practices;
 - 10 (j) onsite and offsite recordkeeping;
 - 11 (k) a list of product formulations or products proposed to be
 - 12 manufactured with estimated cannabinoid profiles, if known,
 - 13 including varieties with high cannabidiol content;
 - 14 (l) intended use and sourcing of all non-cannabis ingredients
 - 15 used in the manufacture, production, and creation of cannabis
 - 16 products, including methods to verify or ensure the safety and
 - 17 integrity of those ingredients and their potential to be or contain
 - 18 allergens;
 - 19 (m) waste disposal plans; and
 - 20 (n) compliance with applicable laws and regulations.
- 21 (3) ¹In the case of an applicant for a medical cannabis
- 22 wholesaler permit, the operating plan summary shall include a
- 23 written description concerning the applicant's qualifications for,
- 24 experience in, and knowledge of each of the following topics:
- 25 (a) quality control and quality assurance;
 - 26 (b) recall plans;
 - 27 (c) packaging and labeling;
 - 28 (d) inventory control and systems for the resale of medical
 - 29 cannabis and medical cannabis products;
 - 30 (e) current industry best practices concerning the warehousing
 - 31 of medical cannabis and medical cannabis products;
 - 32 (f) secure transportation and storage of medical cannabis and
 - 33 medical cannabis products;
 - 34 (g) odor mitigation practices;
 - 35 (h) onsite and offsite recordkeeping;
 - 36 (i) waste disposal plans; and
 - 37 (j) compliance with applicable laws and regulations.
- 38 (4)¹ In the case of an applicant for a medical cannabis
- 39 dispensary permit, the operating plan summary shall include a
- 40 written description concerning the applicant's qualifications for,
- 41 experience in, and knowledge of each of the following topics:
- 42 (a) State-authorized dispensation of medical cannabis to
 - 43 qualifying patients;
 - 44 (b) healthcare, medicine, and treatment of patients with
 - 45 qualifying medical conditions;

- 1 (c) medical cannabis product evaluation procedures;
 - 2 (d) recall plans;
 - 3 (e) packaging and labeling;
 - 4 (f) inventory control and point-of-sale software or systems for
5 the sale of medical cannabis;
 - 6 (g) patient counseling procedures;
 - 7 (h) the routes of administration, strains, varieties, and
8 cannabinoid profiles of medical cannabis and medical cannabis
9 products;
 - 10 (i) odor mitigation practices;
 - 11 (j) onsite and offsite recordkeeping;
 - 12 (k) compliance with State and federal patient privacy rules;
 - 13 (l) waste disposal plans; and
 - 14 (m) compliance with applicable laws and regulations.
- 15 d. The criteria to be developed by the commission pursuant to
16 subsection b. of this section shall include, in addition to the criteria
17 set forth in subsections c. and e. of this section and any other
18 criteria developed by the commission, an analysis of the following
19 factors, if applicable:
- 20 (1) The applicant's environmental impact plan.
 - 21 (2) A summary of the applicant's safety and security plans and
22 procedures, which shall include descriptions of the following:
 - 23 (a) plans for the use of security personnel, including
24 contractors;
 - 25 (b) the experience or qualifications of security personnel and
26 proposed contractors;
 - 27 (c) security and surveillance features, including descriptions of
28 any alarm systems, video surveillance systems, and access and
29 visitor management systems, along with drawings identifying the
30 proposed locations for surveillance cameras and other security
31 features;
 - 32 (d) plans for the storage of medical cannabis and medical
33 cannabis products, including any safes, vaults, and climate control
34 systems that will be utilized for this purpose;
 - 35 (e) a diversion prevention plan;
 - 36 (f) an emergency management plan;
 - 37 (g) procedures for screening, monitoring, and performing
38 criminal history record background checks of employees;
 - 39 (h) cybersecurity procedures, including, in the case of an
40 applicant for a medical cannabis dispensary permit, procedures for
41 collecting, processing, and storing patient data, and the applicant's
42 familiarity with State and federal privacy laws;
 - 43 (i) workplace safety plans and the applicant's familiarity with
44 federal Occupational Safety and Health Administration regulations;
 - 45 (j) the applicant's history of workers' compensation claims and
46 safety assessments;

1 (k) procedures for reporting adverse events; and

2 (l) a sanitation practices plan.

3 (3) A summary of the applicant's business experience, including
4 the following, if applicable:

5 (a) the applicant's experience operating businesses in highly-
6 regulated industries;

7 (b) the applicant's experience in operating alternative treatment
8 centers and related medical cannabis production and dispensation
9 entities under the laws of New Jersey or any other state or
10 jurisdiction within the United States; and

11 (c) the applicant's plan to comply with and mitigate the effects
12 of 26 U.S.C. s.280E on cannabis businesses, and for evidence that
13 the applicant is not in arrears with respect to any tax obligation to
14 the State.

15 In evaluating the experience described under subparagraphs (a),
16 (b), and (c) of this paragraph, the commission shall afford the
17 greatest weight to the experience of the applicant itself, controlling
18 owners, and entities with common ownership or control with the
19 applicant; followed by the experience of those with a 15 percent or
20 greater ownership interest in the applicant's organization; followed
21 by ¹**【interest holders】** significantly involved persons¹ in the
22 applicant's organization; followed by other officers, directors, and
23 ¹**【bona fide full-time】** current and prospective¹ employees of the
24 applicant ¹who have a bona fide relationship with the applicant's
25 organization¹ as of the submission date of the application.

26 (4) A description of the proposed location for the applicant's
27 site, including the following, if applicable:

28 (a) the proposed location, the surrounding area, and the
29 suitability or advantages of the proposed location, along with a
30 floor plan and optional renderings or architectural or engineering
31 plans;

32 (b) the submission of zoning approvals for the proposed
33 location, which shall consist of a letter or affidavit from appropriate
34 municipal officials that the location will conform to municipal
35 zoning requirements allowing for such activities related to the
36 cultivation, manufacturing, or dispensing of medical cannabis,
37 cannabis products, and related supplies as will be conducted at the
38 proposed facility; and

39 (c) the submission of proof of local support for the suitability of
40 the location, which may be demonstrated by a resolution adopted by
41 the municipality's governing body indicating that the intended
42 location is appropriately located or otherwise suitable for such
43 activities related to the cultivation, manufacturing, or dispensing of
44 medical cannabis, cannabis products, and related supplies as will be
45 conducted at the proposed facility.

1 Notwithstanding any other provision of this subsection, an
2 application shall be disqualified from consideration unless it
3 includes documentation demonstrating that the applicant will have
4 final control of the premises upon approval of the application,
5 including, but not limited to, a lease agreement, contract for sale,
6 title, deed, or similar documentation. In addition, if the applicant
7 will lease the premises, the application will be disqualified from
8 consideration unless it includes certification from the landlord that
9 the landlord is aware that the tenant's use of the premises will
10 involve activities related to the cultivation, manufacturing, or
11 dispensing of medical cannabis and medical cannabis products. An
12 application shall not be disqualified from consideration if the
13 application does not include the materials described in
14 subparagraphs (b) or (c) of this paragraph.

15 (5) A community impact, social responsibility, and research
16 statement, which ¹~~may~~ shall¹ include, but shall not be limited to,
17 the following:

18 (a) a community impact plan summarizing how the applicant
19 intends to have a positive impact on the community in which the
20 proposed entity is to be located, which shall include an economic
21 impact plan, a description of outreach activities, and any financial
22 assistance or discount plans the applicant will provide to qualifying
23 patients and designated caregivers;

24 (b) a written description of the applicant's record of social
25 responsibility, philanthropy, and ties to the proposed host
26 community;

27 (c) a written description of any research the applicant has
28 conducted on the medical efficacy or adverse effects of cannabis
29 use and the applicant's participation in or support of cannabis-
30 related research and educational activities; and

31 (d) a written plan describing any research and development
32 regarding the medical efficacy or adverse effects of cannabis, and
33 any cannabis-related educational and outreach activities, which the
34 applicant intends to conduct if issued a permit by the commission.

35 In evaluating the information submitted pursuant to
36 subparagraphs (b) and (c) of this paragraph, the commission shall
37 afford the greatest weight to ¹~~the experience of~~ responses
38 pertaining to¹ the applicant itself, controlling owners, and entities
39 with common ownership or control with the applicant; followed by
40 ¹~~the experience of~~ responses pertaining to¹ those with a 15
41 percent or greater ownership interest in the applicant's organization;
42 followed by ¹~~interest holders~~ significantly involved persons¹ in
43 the applicant's organization; followed by other officers, directors,
44 and ¹~~bona fide full-time~~ current and prospective¹ employees of
45 the applicant ¹who have a bona fide relationship with the

1 applicant's organization¹ as of the submission date of the
2 application.

3 (6) A workforce development and job creation plan, which may
4 include, but shall not be limited to a description of the applicant's
5 workforce development and job creation plan, which may include
6 information on the applicant's history of job creation and planned
7 job creation at the proposed facility; education, training, and
8 resources to be made available for employees; any relevant
9 certifications; and ¹[an optional] a¹ diversity plan.

10 (7) A business and financial plan, which may include, but shall
11 not be limited to, the following:

12 (a) an executive summary of the applicant's business plan;

13 (b) a demonstration of the applicant's financial ability to
14 implement its business plan, which may include, but shall not be
15 limited to, bank statements, business and individual financial
16 statements, net worth statements, and debt and equity financing
17 statements; and

18 (c) a description of the applicant's experience complying with
19 guidance pertaining to cannabis issued by the Financial Crimes
20 Enforcement Network under 31 U.S.C. s.5311 et seq., the federal
21 "Bank Secrecy Act", which may be demonstrated by submitting
22 letters regarding the applicant's banking history from banks or
23 credit unions that certify they are aware of the business activities of
24 the applicant, or entities with common ownership or control of the
25 applicant's organization, in any state where the applicant has
26 operated a business related to medical cannabis. For the purposes
27 of this subparagraph, the commission shall consider only bank
28 references involving accounts in the name of the applicant or of an
29 entity with common ownership or control of the applicant's
30 organization. An applicant who does not submit the information
31 described in this subparagraph shall not be disqualified from
32 consideration.

33 (8) Whether any of the applicant's majority or controlling
34 owners were previously approved by the commission to serve as an
35 officer, director, principal, or key employee of an alternative
36 treatment center, provided any such individual served in that
37 capacity at the alternative treatment center for six or more months
38 ¹[;] ¹.

39 (9) Whether the applicant can demonstrate that its governance
40 structure includes the involvement of a school of medicine or
41 osteopathic medicine licensed and accredited in the United States,
42 or a general acute care hospital, ambulatory care facility, adult day
43 care services program, or pharmacy licensed in New Jersey,
44 provided that:

1 (a) the school, hospital, facility, or pharmacy has conducted or
2 participated in research approved by an institutional review board
3 related to cannabis involving the use of human subjects, except in
4 the case of an accredited school of medicine or osteopathic
5 medicine that is located and licensed in New Jersey;

6 (b) the school, hospital, facility, or pharmacy holds a profit
7 share or ownership interest in the applicant's organization of 10
8 percent or more, except in the case of an accredited school of
9 medicine or osteopathic medicine that is located and licensed in
10 New Jersey; and

11 (c) the school, hospital, facility, or pharmacy participates in
12 major decision-making activities within the applicant's
13 organization, which may be demonstrated by representation on the
14 board of directors of the applicant's organization.

15 (10) The proposed composition of the applicant's medical
16 advisory board established pursuant to section 15 of P.L. ,
17 c. (C.) (pending before the Legislature as this bill), if any.

18 (11) ¹Whether the applicant intends to or has entered into a
19 partnership with a prisoner re-entry program for the purpose of
20 identifying and promoting employment opportunities at the
21 applicant's organization for former inmates and current inmates
22 leaving the corrections system. If so, the applicant shall provide
23 details concerning the name of the re-entry program, the
24 employment opportunities at the applicant's organization that will
25 be made available to the re-entry population, and any other
26 initiatives the applicant's organization will undertake to provide
27 support and assistance to the re-entry population.

28 (12)¹ Any other information the commission deems relevant in
29 determining whether to grant a permit to the applicant.

30 e. In addition to the information to be submitted pursuant to
31 subsections c. and d. of this section, the commission shall require
32 all permit applicants, other than applicants issued a conditional
33 ¹**license** permit¹, to submit an attestation signed by a bona fide
34 labor organization stating that the applicant has entered into a labor
35 peace agreement with such bona fide labor organization. ¹**The**
36 Except in the case of an entity holding an unconverted conditional
37 permit, the¹ maintenance of a labor peace agreement with a bona
38 fide labor organization shall be an ongoing material condition of
39 maintaining a medical cannabis cultivator, medical cannabis
40 manufacturer, ¹medical cannabis wholesaler,¹ or medical cannabis
41 dispensary permit. The submission of an attestation and
42 maintenance of a labor peace agreement with a bona fide labor
43 organization by an applicant issued a conditional permit pursuant to
44 ¹subsection d. of¹ section 11 of P.L. , c. (C.) (pending
45 before the Legislature as this bill) shall be a requirement for ¹**final**

1 approval for a] conversion of a conditional permit into a full¹
2 permit ¹];] The¹ failure to enter into a collective bargaining
3 agreement within 200 days ¹[of the opening of] after the date that¹
4 a medical cannabis cultivator, medical cannabis manufacturer,
5 medical cannabis wholesaler,¹ or medical cannabis dispensary
6 first opens¹ shall result in the suspension or revocation of such
7 permit or conditional permit. In reviewing initial permit
8 applications, the commission shall give priority to the following:

9 (1) Applicants that are party to a collective bargaining
10 agreement with a labor organization that currently represents, or is
11 actively seeking to represent ¹,¹ cannabis workers in New Jersey.

12 (2) Applicants that are party to a collective bargaining
13 agreement with a labor organization that currently represents
14 cannabis workers in another state.

15 (3) Applicants that include a significantly involved person or
16 persons lawfully residing in New Jersey for at least two years as of
17 the date of the application.

18 (4) Applicants that submit an attestation affirming that they will
19 use best efforts to utilize union labor in the construction or retrofit
20 of the facilities associated with the permitted entity.

21 ¹The requirements of this subsection shall not apply to a
22 microbusiness applying for a conditional or annual permit of any
23 type.¹

24 f. In reviewing an initial permit application, unless the
25 information is otherwise solicited by the commission in a specific
26 application question, the commission's evaluation of the application
27 shall be limited to the experience and qualifications of the
28 applicant's organization, including any entities with common
29 ownership or control of the applicant's organization, controlling
30 owners or interest holders in the applicant's organization, ¹[and]¹
31 the officers, directors, and current ¹[full-time existing] or
32 prospective¹ employees of the applicant's organization ¹who have a
33 bona fide relationship with the applicant's organization as of the
34 date of the application, and consultants and independent contractors
35 who have a bona fide relationship with the applicant as of the date
36 of the application¹ . Responses pertaining to ¹[consultants,
37 independent contractors,]¹ applicants who are exempt from the
38 criminal history record background check requirements of section 7
39 of P.L.2009, c.307 (C.24:6I-7) ¹], and prospective or part-time
40 employees of the entity]¹ shall not be considered. Each applicant
41 shall certify as to the status of the individuals and entities included
42 in the application.

43 g. ¹[The commission shall develop policies and procedures to
44 promote and encourage full participation in the medical cannabis

1 industry by individuals from communities that have historically
2 experienced disproportionate harm under the State’s cannabis
3 prohibition and enforcement laws, and to have a positive effect on
4 those communities.】¹ The commission shall conduct a disparity
5 study to determine whether race-based measures should be
6 considered when issuing permits pursuant to this section, and shall
7 incorporate the policies, practices, protocols, standards, and
8 criteria developed by the Office of Minority, Disabled Veterans,
9 and Women Medical Cannabis Business Development pursuant to
10 section 32 of P.L. , c. (C.) (pending before the Legislature
11 as this bill) to promote participation in the medical cannabis
12 industry by persons from socially and economically disadvantaged
13 communities, including promoting applications for, and the
14 issuance of, medical cannabis cultivator, medical cannabis
15 manufacturer, medical cannabis wholesaler, and medical cannabis
16 dispensary permits to certified minority, women’s, and disabled
17 veterans’ businesses. To this end, the commission shall¹ require
18 that at least 30 percent of the total number of new medical cannabis
19 cultivator permits, medical cannabis manufacturer permits, ¹medical
20 cannabis wholesaler permits,¹ and medical cannabis dispensary
21 permits issued on or after the effective date of P.L. , c. (C.)
22 (pending before the Legislature as this bill) are issued as follows:

23 (1) at least 15 percent of the total number of new medical
24 cannabis cultivator permits, medical cannabis manufacturer
25 permits, ¹medical cannabis wholesaler permits,¹ and medical
26 cannabis dispensary permits issued on or after the effective date of
27 P.L. , c. (C.) (pending before the Legislature as this bill)
28 shall be issued to a qualified applicant that has been certified as a
29 minority business pursuant to P.L.1986, c.195 (C.52:27H-
30 21.18 et seq.); and

31 (2) at least 15 percent of the total number of new medical
32 cannabis cultivator permits, medical cannabis manufacturer
33 permits, ¹medical cannabis wholesaler permits,¹ and medical
34 cannabis dispensary permits issued on or after the effective date of
35 P.L. , c. (C.) (pending before the Legislature as this bill)
36 shall be issued to a qualified applicant that has been certified as a
37 women’s business pursuant to P.L.1986, c.195 (C.52:27H-21.18 et
38 seq.) or that is a disabled-veterans’ business, as defined in section 2
39 of P.L.2015, c.116 (C.52:32-31.2).

40 In selecting among applicants who meet these criteria, the
41 commission shall grant a higher preference to applicants with up to
42 two of the certifications described in this subsection.

43 h. The commission shall give special consideration to any
44 applicant that has entered into an agreement with an institution of
45 higher education to create an integrated curriculum involving the

1 cultivation, manufacturing, [and] dispensing ¹resale, warehousing,
2 or delivery¹ of medical cannabis, provided that the curriculum is
3 approved by both the commission and the ¹【Department of
4 Education】 Office of the Secretary of Higher Education¹ and the
5 applicant agrees to maintain the integrated curriculum in perpetuity.
6 An integrated curriculum permit shall be subject to revocation if the
7 IC permit holder fails to maintain or continue the integrated
8 curriculum. In the event that, because of circumstances outside an
9 IC permit holder's control, the IC permit holder will no longer be
10 able to continue an integrated curriculum, the IC permit holder shall
11 notify the commission and shall make reasonable efforts to establish
12 a new integrated curriculum with an institution of higher education,
13 subject to approval by the commission and the ¹【Department of
14 Education】 Office of the Secretary of Higher Education¹. If the IC
15 permit holder is unable to establish a new integrated curriculum
16 within six months after the date the current integrated curriculum
17 arrangement ends, the commission shall revoke the entity's IC
18 permit, unless the commission finds there are extraordinary
19 circumstances that justify allowing the permit holder to retain the
20 permit without an integrated curriculum and the commission finds
21 that allowing the permit holder to retain the permit would be
22 consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.), in
23 which case the IC permit shall convert to a regular permit of the
24 same type. The commission may revise the application and permit
25 fees or other conditions for an IC permit as may be necessary to
26 encourage applications for IC permits.

27 i. Application materials submitted to the commission pursuant
28 to this section shall not be considered a public record pursuant to
29 P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-
30 5 et al.).

31 j. If the commission notifies an applicant that it has performed
32 sufficiently well on multiple applications to be awarded more than
33 one medical cannabis cultivator permit, more than one medical
34 cannabis manufacturer permit, ¹more than one medical cannabis
35 wholesaler permit,¹ or more than one medical cannabis dispensary
36 permit by the commission, the applicant shall notify the
37 commission, within seven business days after receiving such notice,
38 as to which permit it will accept. For any permit award declined by
39 an applicant pursuant to this subsection, the commission shall, upon
40 receiving notice from the applicant of the declination, award the
41 permit to the applicant for that permit type who, in the
42 determination of the commission, best satisfies the commission's
43 criteria while meeting the commission's determination of Statewide
44 need. If an applicant fails to notify the commission as to which
45 permit it will accept, the commission shall have the discretion to

1 determine which permit it will award to the applicant, based on the
2 commission's determination of Statewide need and other
3 applications submitted for facilities to be located in the affected
4 regions.

5
6 13. (New section) a. The commission shall issue clinical
7 registrant permits to qualified applicants that meet the requirements
8 of this section. In addition to any other requirements as the
9 commission establishes by regulation regarding application for and
10 issuance of a clinical registrant permit, each clinical registrant
11 applicant shall:

12 (1) complete a criminal history record background check that
13 meets the requirements of subsection d. of section 7 of P.L.2009,
14 c.307 (C.24:6I-7);

15 (2) submit to the commission any required application and
16 permit fees;

17 (3) submit to the commission written documentation of an
18 existing contract with an academic medical center that meets the
19 requirements of subsection c. of this section; and

20 (4) submit to the commission documentation that the applicant
21 has a minimum of \$15 million in capital.

22 b. The commission shall, no later than 90 days after the
23 effective date of P.L. , c. (C.) (pending before the
24 Legislature as this bill) or upon adoption of rules and regulations as
25 provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-
26 16), whichever occurs first, begin accepting and processing
27 applications for four clinical registrant permits. Thereafter, the
28 commission shall accept applications for and issue such additional
29 clinical registrant permits as it determines to be necessary and
30 consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.)

31 ¹[and P.L. , c. (C.) (pending before the Legislature as this
32 bill)]¹. The commission shall make a determination as to a clinical
33 registrant permit application no later than 90 days after receiving
34 the application, which may include a determination that the
35 commission reasonably requires more time to adequately review the
36 application. ¹In reviewing and approving applications for clinical
37 registrant permits, the commission shall seek to incorporate the
38 policies, practices, protocols, standards, and criteria developed by
39 the Office of Minority, Disabled Veterans, and Women Medical
40 Cannabis Business Development pursuant to section 32 of P.L. ,
41 c. (C.) (pending before the Legislature as this bill) to
42 promote participation in the medical cannabis industry by persons
43 from socially and economically disadvantaged communities. In no
44 case shall the commission accept, process, or approve an
45 application submitted by an applicant that has contracted with an

1 academic medical center that is part of a health care system that
2 includes another academic medical center that has contracted with
3 an applicant for, or a holder of, a clinical registrant permit.¹

4 c. A contract between a clinical registrant and an academic
5 medical center shall include a commitment by the academic medical
6 center, or its affiliate, to engage in clinical research related to the
7 use of medical cannabis in order to advise the clinical registrant
8 concerning patient health and safety, medical applications, and
9 dispensing and management of controlled substances, among other
10 areas. A clinical registrant issued a permit pursuant to this section
11 shall have a written contractual relationship with no more than one
12 academic medical center.

13 d. A clinical registrant issued a permit pursuant to this section
14 shall be authorized to engage in all conduct involving the
15 cultivation, ¹~~processing~~ manufacturing¹, and dispensing of
16 medical cannabis as is authorized for an entity holding medical
17 cannabis cultivator, medical cannabis manufacturer, and medical
18 cannabis dispensary permits pursuant to P.L.2009, c.307 (C.24:6I-
19 1 et al.) ¹~~and P.L. , c. (C.)~~ (pending before the Legislature
20 as this bill)¹, including dispensing medical cannabis and medical
21 cannabis products to qualifying patients and designated and
22 institutional caregivers. The clinical registrant shall additionally be
23 authorized to engage in clinical research involving medical
24 cannabis using qualifying patients who consent to being part of
25 such research, subject to any restrictions established by the
26 commission. ¹The clinical registrant shall be prohibited from
27 engaging in any activities authorized for a medical cannabis
28 wholesaler pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), except to
29 the extent that such activities are otherwise authorized for a medical
30 cannabis cultivator, medical cannabis manufacturer, or medical
31 cannabis dispensary.¹

32 e. ¹~~A~~ clinical registrant issued a permit pursuant to this
33 section may apply to the commission for a Class 3 Cannabis
34 Wholesaler license or for a Class 1 Cannabis Grower license, a
35 Class 2 Cannabis Processor license, a Class 3 Cannabis Wholesaler
36 license, and a Class 4 Cannabis Retailer license, and shall be
37 authorized to engage in any activities authorized pursuant to any
38 such license issued, provided that:

39 (1) a clinical registrant may concurrently hold a Class 1
40 Cannabis Grower license, a Class 2 Cannabis Processor license, and
41 a Class 4 Cannabis Retailer license;

42 (2) a clinical registrant that is issued a Class 3 Cannabis
43 Wholesaler license shall not be authorized to concurrently hold a
44 Class 1 Cannabis Grower license, a Class 2 Cannabis Processor
45 license, or a Class 4 Cannabis Retailer license; and

1 (3) a clinical registrant that has been issued a Class 1 Cannabis
2 Grower license, a Class 2 Cannabis Processor license, or a Class 4
3 Cannabis Retailer license shall not be authorized to concurrently
4 hold a Class 3 Cannabis Wholesaler license.

5 A clinical registrant issued an adult use cannabis license
6 pursuant to this subsection shall be authorized to use the same
7 premises for all activities authorized under P.L.2009, c.307
8 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
9 Legislature as Senate Bill No. 2703) without being required to
10 establish or maintain any physical barriers or separations between
11 operations related to the medical use of cannabis and operations
12 related to adult use cannabis, provided that the clinical registrant
13 shall be required to certify to the commission that the clinical
14 registrant has sufficient quantities of medical cannabis and medical
15 cannabis products available to meet the reasonably anticipated
16 treatment needs of registered qualifying patients as a condition of
17 engaging in activities related to the growing, producing,
18 wholesaling, or retail sale of adult use cannabis, as applicable.

19 f. ¹ (1) A clinical registrant issued a permit pursuant to this
20 section may conduct authorized activities related to medical
21 cannabis ¹ [and, if applicable, adult use cannabis,] ¹ at more than
22 one physical location, provided that each location is approved by
23 the commission and is in the same region in which the academic
24 medical center with which the clinical registrant has a contract is
25 located.

26 (2) A clinical registrant may apply to the commission for
27 approval to relocate an approved facility to another location in the
28 same region, which application shall be approved unless the
29 commission makes a specific determination that the proposed
30 relocation would be inconsistent with the purposes of P.L.2009,
31 c.307 (C.24:6I-1 et al.) ¹ [and P.L. , c. (C.) (pending before
32 the Legislature as this bill)] ¹ . The denial of an application for
33 relocation submitted pursuant to this paragraph shall be considered
34 a final agency decision, subject to review by the Appellate Division
35 of the Superior Court.

36 (3) The commission may authorize a clinical registrant to
37 dispense medical cannabis and medical cannabis products from
38 more than one physical location if the commission determines that
39 authorizing additional dispensing locations is necessary for the
40 clinical registrant to best serve and treat qualifying patients and
41 clinical trial participants ¹ .

42 (4) In no case shall a clinical registrant operate or be located on
43 land that is valued, assessed or taxed as an agricultural or
44 horticultural use pursuant to the "Farmland Assessment Act of
45 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.)¹ .

1 **[g.] f.**¹ A clinical registrant permit shall not be sold or
2 transferred to any other entity.

3 **[h.] g.**¹ Clinical registrant permits shall be valid for the term
4 of the contractual relationship between the academic medical center
5 and the clinical registrant. The commission may renew a clinical
6 registrant permit to correspond to any renewal of the contractual
7 relationship between the academic medical center and the clinical
8 registrant.

9 **[i.] h.**¹ Each clinical registrant shall submit the results of the
10 clinical research obtained through an approved clinical registrant
11 permit to the commission no later than one year following the
12 conclusion of the research study or publication of the research study
13 in a peer-reviewed medical journal. Nothing in this subsection shall
14 be deemed to require the disclosure of any clinical research that
15 would infringe on the intellectual property of the clinical registrant
16 or on the confidentiality of patient information.

17 **[j.] i.**¹ Application materials submitted to the commission
18 pursuant to this section shall not be considered a public record
19 pursuant to P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404
20 (C.47:1A-5 et al.).

21
22 14. (New section) a. (1) The commission shall, within 18
23 months following the commission's organization, and every three
24 years thereafter, conduct a feasibility study concerning the potential
25 for establishing a cannabis research and development permit type.
26 In order to advance scientific and medical understanding concerning
27 the potential uses of medical cannabis, and to ensure ongoing
28 quality control in the collection of data and the aggregation of
29 clinical, translational, and other research, the feasibility study shall
30 assess the medical cannabis market and industry, current
31 perspectives in the scientific and medical communities on medical
32 cannabis, as well as those of other relevant disciplines, to determine
33 the potential benefits of establishing a research and development
34 permit type. Any cannabis research and development permit
35 established by the commission shall be limited to advancing the use
36 of cannabis as medicine, improving the lives of current registered
37 qualifying patients as well as future patients who could derive
38 therapeutic benefit from the use of cannabis, and furthering the
39 knowledge of cannabis in the scientific and medical communities.

40 (2) The commission shall additionally assess the feasibility of
41 securing State funding to support the award of a monetary grant in
42 conjunction with the issuance of a cannabis research and
43 development permit to a successful applicant, following a
44 competitive application process, as well as assess potential future

1 regulations to apply to any cannabis research and development
2 permits that are supported by private investment.

3 (3) Each feasibility study conducted pursuant to this subsection
4 shall include at least one public hearing, at which the commission
5 shall receive testimony from interested members of the public.

6 (4) The commission shall submit a report of its findings and
7 conclusions to the Governor and, pursuant to section 2 of P.L.1991,
8 c.164 (C.52:14-19.1), to the Legislature, within 90 days following
9 the conclusion of each feasibility study.

10 b. The requirement to complete a feasibility study pursuant to
11 subsection a. of this section shall expire at such time as the
12 commission establishes a cannabis research and development permit
13 type and promulgates rules and regulations with regard to the
14 permit pursuant to the "Administrative Procedure Act," P.L.1968,
15 c.410 (C.52:14B-1 et seq.).

16 c. The commission may establish, by regulation, such
17 additional permit types in connection with medical cannabis as the
18 commission deems necessary and appropriate to maximize the
19 effectiveness and efficiency of the State medical cannabis program
20 and meet the needs of qualifying patients, health care practitioners,
21 medical cannabis cultivators, medical cannabis manufacturers,
22 ¹medical cannabis wholesalers,¹ medical cannabis dispensaries, and
23 related entities. Such permits may include, but shall not be limited
24 to, permits authorizing pharmacy practice sites licensed pursuant to
25 P.L.2003, c.280 (C.45:14-40 et seq.) to be authorized to dispense
26 medical cannabis to qualifying patients and their designated and
27 institutional caregivers.

28

29 15. (New section) a. A medical cannabis cultivator, medical
30 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
31 cannabis dispensary, or clinical registrant may appoint a medical
32 advisory board to provide advice to the medical cannabis cultivator,
33 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
34 medical cannabis dispensary, or clinical registrant on all aspects of
35 its business.

36 b. A medical advisory board appointed pursuant to this section
37 shall comprise five members: three health care practitioners
38 licensed or certified to practice in New Jersey; one qualifying
39 patient who resides in the same area in which the medical cannabis
40 cultivator, medical cannabis manufacturer, ¹medical cannabis
41 wholesaler,¹ medical cannabis dispensary, or clinical registrant is
42 located; and one individual who owns a business in the same area in
43 which the medical cannabis cultivator, medical cannabis
44 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
45 dispensary, or clinical registrant is located. No owner, director,

1 officer, or employee of a medical cannabis cultivator, medical
2 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
3 cannabis dispensary, or clinical registrant may serve on a medical
4 advisory board. The membership of a medical advisory board shall
5 be subject to commission approval.

6 c. A medical advisory board appointed pursuant to this section
7 shall meet at least two times per calendar year.
8

9 16. (New section) a. (1) An organization issued a permit to
10 operate a medical cannabis cultivator, medical cannabis
11 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
12 dispensary, or clinical registrant ¹or that employs certified medical
13 cannabis handlers for transfer or delivery of medical cannabis
14 pursuant to section 27 of P.L. , c. (C.) (pending before the
15 Legislature as this bill¹ shall not be eligible for a State or local
16 economic incentive.

17 (2) The issuance of a permit to operate a medical cannabis
18 cultivator, medical cannabis manufacturer, ¹medical cannabis
19 wholesaler,¹ cannabis dispensary, or clinical registrant ¹or a
20 certification to a handler employed by any entity to perform
21 transfers or deliveries of medical cannabis pursuant to section 27 of
22 P.L. , c. (C.) (pending before the Legislature as this bill)¹
23 to an organization that has been awarded a State or local economic
24 incentive shall invalidate the right of the organization to benefit
25 from the economic incentive as of the date of issuance of the
26 permit, except that an academic medical center that has entered into
27 a contractual relationship with a clinical registrant shall not have
28 any right to benefit from an economic incentive invalidated
29 pursuant to this paragraph on the basis of that contractual
30 relationship.

31 b. (1) A property owner, developer, or operator of a project to
32 be used, in whole or in part, as a medical cannabis cultivator,
33 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
34 medical cannabis dispensary, or clinical registrant ¹or an entity that
35 employs medical cannabis handlers to perform transfers or
36 deliveries of medical cannabis pursuant to section 27 of P.L. , c.
37 (C.) (pending before the Legislature as this bill)¹ shall not be
38 eligible for a State or local economic incentive during the period of
39 time that the economic incentive is in effect.

40 (2) The issuance of a permit to operate a medical cannabis
41 cultivator, medical cannabis manufacturer, ¹medical cannabis
42 wholesaler,¹ medical cannabis dispensary, or clinical registrant ¹or
43 of a certification to a medical cannabis handler employed by any
44 entity to perform transfers and deliveries of medical cannabis

1 pursuant to section 27 of P.L. , c. (C.) (pending before the
2 Legislature as this bill)¹ at a location that is the subject of a State or
3 local economic incentive shall invalidate the right of a property
4 owner, developer, or operator to benefit from the economic
5 incentive as of the date of issuance of the permit, except that an
6 academic medical center that has entered into a contractual
7 relationship with a clinical registrant shall not have any right to
8 benefit from an economic incentive invalidated pursuant to this
9 paragraph on the basis of that contractual relationship.

10 c. As used in this section:

11 "Business" means any non-governmental person, association,
12 for-profit or non-profit corporation, joint venture, limited liability
13 company, partnership, sole proprietorship, or other form of business
14 organization or entity.

15 "Governmental entity" means the State, a local unit of
16 government, or a State or local government agency or authority.

17 "State or local economic incentive" means a financial incentive,
18 awarded by a governmental entity to a business, or agreed to
19 between a governmental entity and a business, for the purpose of
20 stimulating economic development or redevelopment in New
21 Jersey, including, but not limited to, a bond, grant, loan, loan
22 guarantee, matching fund, tax credit, or other tax expenditure.

23 "Tax expenditure" means the amount of foregone tax collections
24 due to any abatement, reduction, exemption, credit, or transfer
25 certificate against any State or local tax.

26

27 17. Section 8 of P.L.2009, c.307 (C.24:6I-8) is amended to read
28 as follows:

29 8. The provisions of **【this act】** P.L.2009, c.307 (C.24:6I-
30 1 et al.) ¹【,】 and¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹【, and
31 P.L. , c. (C.) (pending before the Legislature as this bill)¹
32 shall not be construed to permit a person to:

33 a. operate, navigate, or be in actual physical control of any
34 vehicle, aircraft, railroad train, stationary heavy equipment or vessel
35 while under the influence of **【marijuana】** cannabis; or

36 b. smoke **【marijuana】** cannabis in a school bus or other form of
37 public transportation, in a private vehicle unless the vehicle is not in
38 operation, on any school grounds, in any correctional facility, at any
39 public park or beach, at any recreation center, or in any place where
40 smoking is prohibited pursuant to N.J.S.2C:33-13.

41 A person who commits an act as provided in this section shall be
42 subject to such penalties as are provided by law.

43 (cf: P.L.2009, c.307, c.8)

44

1 18. Section 10 of P.L.2009, c.307 (C.24:6I-10) is amended to
2 read as follows:

3 10. a. A **【physician】** health care practitioner shall provide
4 written instructions for a registered qualifying patient or **【his】** the
5 patient's designated caregiver, or an institutional caregiver acting
6 on behalf of the patient, to present to **【an alternative treatment**
7 **center】** a medical cannabis dispensary or a clinical registrant
8 concerning the total amount of usable **【marijuana】** cannabis that a
9 patient may be dispensed, in weight, in a 30-day period, which
10 amount shall not exceed **【two ounces**. If no amount is noted, the
11 maximum amount that may be dispensed at one time is two ounces **】**
12 the maximum amount that may be authorized for the patient
13 pursuant to subsection f. of this section.

14 b. A **【physician】** health care practitioner may issue multiple
15 written instructions at one time authorizing the patient to receive a
16 total of up to a **【90-day】** one year supply, provided that the
17 following conditions are met:

18 (1) Each separate set of instructions shall be issued for a
19 legitimate medical purpose by the **【physician】** health care
20 practitioner, as provided in **【this act】** P.L.2009, c.307 (C.24:6I-
21 1 et al.);

22 (2) Each separate set of instructions shall indicate the earliest
23 date on which a **【center】** dispensary or clinical registrant may
24 dispense the **【marijuana】** cannabis, except for the first dispensation
25 if it is to be filled immediately; and

26 (3) The **【physician】** health care practitioner has determined that
27 providing the patient with multiple instructions in this manner does
28 not create an undue risk of diversion or abuse.

29 c. A registered qualifying patient or **【his primary】** the patient's
30 designated caregiver, or an institutional caregiver acting on behalf
31 of a qualifying patient, shall present verification of the patient's or
32 caregiver's **【registry identification card】** registration with the
33 commission, as applicable, and these written instructions to **【the**
34 **alternative treatment center】** any medical cannabis dispensary or
35 clinical registrant ¹at the time the patient or caregiver requests the
36 dispensing or delivery of medical cannabis¹ , which ¹medical
37 cannabis dispensary or clinical registrant¹ shall verify and log the
38 documentation presented. An institutional caregiver shall
39 additionally present an authorization executed by the patient
40 certifying that the institutional caregiver is authorized to obtain
41 medical cannabis on behalf of the patient. A **【physician】** health
42 care practitioner may provide a copy of a written instruction by
43 electronic or other means, as determined by the **【commissioner】**

1 ¹['executive director] commission¹, directly to [an alternative
2 treatment center] a medical cannabis dispensary or a clinical
3 registrant on behalf of a registered qualifying patient. The
4 dispensation of [marijuana] medical cannabis pursuant to any
5 written instructions shall occur within one ¹[month] year¹ of the
6 date that the instructions were written or become eligible for
7 dispensing, whichever is later, or the instructions are void.

8 d. [A patient may be registered at only one alternative
9 treatment center at any time.] (deleted by amendment, P.L. , c.)
10 (pending before the Legislature as this bill)

11 e. Prior to dispensing medical cannabis to a qualifying patient,
12 the patient's designated caregiver, or an institutional caregiver, the
13 medical cannabis dispensary or clinical registrant shall access the
14 system established pursuant to section 11 of P.L.2009, c.307
15 (C.45:1-45.1) to ascertain whether medical cannabis was dispensed
16 ¹[for] to or on behalf of¹ the patient by any medical cannabis
17 dispensary or clinical registrant within the preceding 30 days.
18 Upon dispensing medical cannabis to a qualifying patient, the
19 patient's designated caregiver, or an institutional caregiver, the
20 medical cannabis dispensary or clinical registrant shall transmit to
21 the patient's health care practitioner information concerning the
22 amount, strain, and form of medical cannabis that was dispensed.

23 f. (1) Except as provided in paragraph (2) of this subsection,
24 ¹for a period of 18 months after the effective date of P.L. , c.
25 (C.) (pending before the Legislature as this bill),¹ the
26 maximum amount of usable cannabis that a patient may be
27 dispensed, in weight, in a 30-day period, shall be ¹[:

28 (a) until January 1, 2019, two ounces in dried form or the
29 equivalent amount in any other form;

30 (b) on or after January 1, 2019 and continuing until July 1,
31 2019, two and one-half ounces in dried form or the equivalent
32 amount in any other form; and

33 (c) on or after July 1, 2019, three ounces in dried form or the
34 equivalent amount in any other form] three ounces. Commencing
35 18 months after the effective date of P.L. , c. (C.) (pending
36 before the Legislature as this bill), the maximum amount of usable
37 cannabis that a patient may be dispensed shall prescribed by the
38 commission by regulation¹ .

39 (2) The monthly limits set forth in paragraph (1) of this
40 subsection shall not apply to patients who are terminally ill or who
41 are currently receiving hospice care through a licensed hospice,
42 which patients may be dispensed an unlimited amount of medical
43 cannabis. Qualifying patients who are not receiving hospice care or
44 who are not terminally ill may petition the commission, on a form

1 and in a manner as the commission shall require by regulation, for
2 an exemption from the monthly limits set forth in paragraph (1) of
3 this paragraph, which petition the commission shall approve if the
4 commission finds that granting the exemption is necessary to meet
5 the patient's treatment needs and is consistent with the provisions of
6 P.L.2009, c.307 (C.24:6I-1 et al.).

7 g. The ¹[executive director] commission¹ shall establish, by
8 regulation, curricula for health care practitioners and for staff at
9 medical cannabis dispensaries and clinical registrants:

10 (1) The curriculum for health care practitioners shall be
11 designed to assist practitioners in counseling patients with regard to
12 the quantity, dosing, and administration of medical cannabis as
13 shall be appropriate to treat the patient's qualifying medical
14 condition. Health care practitioners shall complete the curriculum
15 as a condition of authorizing patients for the medical use of
16 cannabis; and

17 (2) The curriculum for employees of medical cannabis
18 dispensaries and clinical registrants shall be designed to assist the
19 employees in counseling patients with regard to determining the
20 strain and form of medical cannabis that is appropriate to treat the
21 patient's qualifying medical condition. Employees of medical
22 cannabis dispensaries and clinical registrants shall be required to
23 complete the curriculum as a condition of registration with the
24 commission. Completion of the curriculum may constitute part of
25 the annual training required pursuant to paragraph (1) of subsection
26 j. of section 7 of P.L.2009, c.307 (C.24:6I-7).

27 h. ¹[Commencing July 1, 2020, the amount of the sales tax that
28 may be imposed under the "Sales and Use Tax Act," P.L.1966, c.30
29 (C.54:32B-1 et seq.) on medical cannabis dispensed by a medical
30 cannabis dispensary or clinical registrant shall not exceed five
31 percent.

32 Commencing July 1, 2022, the amount of the sales tax that may
33 be imposed under the "Sales and Use Tax Act," P.L.1966, c.30
34 (C.54:32B-1 et seq.) on medical cannabis dispensed by a medical
35 cannabis dispensary or clinical registrant shall not exceed three
36 percent.

37 Commencing July 1, 2023, the amount of the sales tax that may
38 be imposed under the "Sales and Use Tax Act," P.L.1966, c.30
39 (C.54:32B-1 et seq.) on medical cannabis dispensed by a medical
40 cannabis dispensary or clinical registrant shall not exceed one
41 percent.]¹ Commencing ¹[July 1, 2024] January 1, 2025¹ ,
42 medical cannabis dispensed by a medical cannabis dispensary or
43 clinical registrant shall not be subject to any tax imposed under the
44 "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

1 Any revenue collected pursuant to a tax imposed on the sale of
2 medical cannabis under the “Sales and Use Tax Act,” P.L.1966,
3 c.30 (C.54:32B-1 et seq.), shall be exclusively appropriated to
4 programs for the treatment of mental health and substance use
5 disorders.

6 ¹i. A municipality in which a medical cannabis dispensary is
7 located may adopt an ordinance imposing a transfer tax on any
8 medical cannabis dispensed by the dispensary, including medical
9 cannabis that is furnished by the dispensary to a medical cannabis
10 handler for delivery to a registered qualifying patient or the
11 patient’s caregiver. The rate of a transfer tax established pursuant
12 to this subsection shall be at the discretion of the municipality,
13 except that in no case shall the rate exceed two percent of the
14 purchase price of the medical cannabis.¹

15 (cf: P.L.2009, c.307, s.10)

16

17 19. Section 13 of P.L.2009, c.307 (C.24:6I-11) is amended to
18 read as follows:

19 13. a. The **【commissioner】** ¹**【executive director】** commission¹
20 may accept from any governmental department or agency, public or
21 private body or any other source grants or contributions to be used
22 in carrying out the purposes of **【this act】** P.L.2009, c.307 (C.24:6I-
23 1 et al.) ¹**【and P.L. , c. (C.) (pending before the Legislature**
24 **as this bill)】**¹.

25 b. All fees collected pursuant to **【this act】** P.L.2009, c.307
26 (C.24:6I-1 et al.) ¹**【and P.L. , c. (C.) (pending before the**
27 **Legislature as this bill)】**¹, including those from qualifying patients,
28 designated and institutional caregivers, and **【alternative treatment**
29 **centers’】** initial, modification and renewal applications for
30 alternative treatment centers, including medical cannabis
31 cultivators, medical cannabis manufacturers, ¹medical cannabis
32 wholesalers,¹ medical cannabis dispensaries, and clinical
33 registrants, shall be used to offset the cost of the **【department’s】**
34 commission’s administration of the provisions of **【this act】**
35 P.L.2009, c.307 (C.24:6I-1 et al.) ¹**【and**
36 **P.L. , c. (C.) (pending before the Legislature as this bill)】**¹.

37 (cf: P.L.2009, c.307, s.13)

38

39 20. Section 14 of P.L.2009, c.307 (C.24:6I-12) is amended to
40 read as follows:

41 14. a. The commissioner, or after the effective date of
42 P.L. , c. (C.) (pending before the Legislature as this bill), the
43 ¹**【executive director】** commission¹ , shall report to the Governor,

1 and to the Legislature pursuant to section 2 of P.L.1991, c.164
2 (C.52:14-19.1):

3 (1) no later than one year after the effective date of **【this act】**
4 P.L.2009, c.307 (C.24:6I-1 et al.), on the actions taken to
5 implement the provisions of **【this act】** P.L.2009, c.307 (C.24:6I-
6 1 et al.); and

7 (2) annually thereafter on the number of applications for
8 **【registry identification cards】** registration with the commission, the
9 number of qualifying patients registered, the number of **【primary】**
10 designated and institutional caregivers registered, the nature of the
11 **【debilitating】** qualifying medical conditions of the patients, the
12 number of **【registry identification cards】** registrations revoked, the
13 number of **【alternative treatment center】** medical cannabis
14 cultivator, medical cannabis manufacturer, ¹medical cannabis
15 wholesaler,¹ and medical cannabis dispensary permits issued and
16 revoked, the number and type of integrated curricula approved,
17 established, and maintained in connection with an IC permit, the
18 number of testing laboratories licensed, the number of clinical
19 registrant permits issued and the nature of the clinical research
20 conducted by each clinical registrant, any incidents of diversion of
21 medical cannabis, information concerning racial, ethnic, ¹disabled
22 veteran,¹ and gender diversity in the individuals issued and
23 currently holding permits issued by the commission, ¹the number of
24 permit applications received from businesses owned by minorities,
25 disabled veterans, and women and the number of such applications
26 that were approved, the business development initiatives undertaken
27 by the Office of Minority, Disabled Veterans, and Women Medical
28 Cannabis Business Development pursuant to section 32 of P.L. ,
29 c. (C.) (pending before the Legislature as this bill) and the
30 outcomes or effects of those initiatives,¹ statistics concerning
31 arrests for drug offenses throughout the State and in areas where
32 medical cannabis dispensaries are located, including information
33 concerning racial disparities in arrest rates for drug offenses
34 generally and cannabis offenses in particular, ¹the number of motor
35 vehicle stops by law enforcement involving violations of R.S.39:4-
36 50, or section 5 of P.L.1990, c.103 (C.39:3-10.13) concerning
37 operators of commercial motor vehicles, for driving under the
38 influence of medical cannabis, or suspicion thereof, cataloged by
39 the jurisdictions in which the stop occurred, and the race, ethnicity,
40 gender, and age of the vehicle driver and any other vehicle
41 occupants, the number of deliveries of medical cannabis performed
42 and the percentage of total medical cannabis dispensations that were
43 completed by delivery,¹ and the number of **【physicians providing**
44 certifications for】 health care practitioners authorizing patients for

1 the medical use of cannabis, including the types of license or
2 certification held by those practitioners.

3 b. The reports shall not contain any identifying information of
4 patients, caregivers, or **physicians** health care practitioners.

5 c. Within two years after the effective date of **this act**
6 P.L.2009, c.307 (C.24:6I-1 et al.) and every two years thereafter,
7 the commissioner or, after the effective date of
8 P.L. , c. (C.) (pending before the Legislature as this bill),
9 the ¹**executive director** commission¹ , shall: evaluate whether
10 there are sufficient numbers of **alternative treatment centers**
11 medical cannabis cultivators, medical cannabis manufacturers,
12 ¹medical cannabis wholesalers,¹ medical cannabis dispensaries, and
13 clinical registrants to meet the needs of registered qualifying
14 patients throughout the State; ¹**evaluate whether the maximum**
15 **amount of medical **marijuana** cannabis** allowed pursuant to **this**
16 **act** P.L.2009, c.307 (C.24:6I-1 et al.) is sufficient to meet the
17 medical needs of qualifying patients;¹ and determine whether any
18 **alternative treatment center** medical cannabis cultivator, medical
19 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
20 cannabis dispensary, or clinical registrant has charged excessive
21 prices **for marijuana** in connection with medical cannabis **that**
22 **the center dispensed**.

23 The commissioner or, after the effective date of
24 P.L. , c. (C.) (pending before the Legislature as this bill),
25 the ¹**executive director** commission¹ , shall report ¹**his** all such¹
26 findings no later than two years after the effective date of **this act**
27 P.L.2009, c.307 (C.24:6I-1 et al.), and every two years thereafter, to
28 the Governor, and to the Legislature pursuant to section 2 of
29 P.L.1991, c.164 (C.52:14-19.1).
30 (cf: P.L.2009, c.307, s.14)

31
32 21. Section 15 of P.L.2009, c.307 (C.24:6I-13) is amended to
33 read as follows:

34 15. a. The **Department of Health** Cannabis Regulatory
35 Commission is authorized to exchange fingerprint data with, and
36 receive information from, the Division of State Police in the
37 Department of Law and Public Safety and the Federal Bureau of
38 Investigation for use in reviewing applications for individuals
39 **seeking** who are required to complete a criminal history record
40 background check in connection with applications to serve as
41 **primary** designated caregivers or institutional caregivers pursuant
42 to section 4 of P.L.2009, c.307 (C.24:6I-4), for licenses to operate
43 as, or to be a director, officer, or employee of, medical cannabis
44 testing laboratories pursuant to section 25 of P.L. , c. (C.)

1 (pending before the Legislature as this bill), for permits to operate
2 as, or to be a director, officer, or employee of, or ¹【an investor】 a
3 significantly involved person¹ in, clinical registrants pursuant to
4 section 13 of P.L. , c. (C.) (pending before the Legislature
5 as this bill), and for permits to operate as, or to be a director,
6 officer, or employee of, 【alternative treatment centers】, or ¹【an
7 investor】 a significantly involved person¹ in, medical cannabis
8 cultivators, medical cannabis manufacturers, ¹medical cannabis
9 wholesalers,¹ and medical cannabis dispensaries pursuant to section
10 7 of P.L.2009, c.307 (C.24:6I-7).

11 b. The Division of State Police shall promptly notify the
12 **【Department of Health】 Cannabis Regulatory Commission** in the
13 event an applicant seeking to serve as a **【primary】 designated or**
14 **institutional caregiver, an applicant for a license to operate as, or to**
15 **be a director, officer, or employee of, a medical cannabis testing**
16 **laboratory, an applicant for a ¹【license】 permit¹ to operate as, or to**
17 **be a director, officer, or employee of, or ¹【an investor】 a**
18 **significantly involved person¹ in, a clinical registrant, or an**
19 **applicant for a permit to operate as, or to be a director, officer, or**
20 **employee of, 【an alternative treatment center】 or ¹【an investor】 a**
21 **significantly involved person¹ in, a medical cannabis cultivator,**
22 **medical cannabis manufacturer, ¹medical cannabis wholesaler,¹ or**
23 **medical cannabis dispensary, who was the subject of a criminal**
24 **history record background check conducted pursuant to subsection**
25 **a. of this section, is convicted of a crime involving possession or**
26 **sale of a controlled dangerous substance.**

27 (cf: P.L.2012, c.17, s.91)

28

29 22. Section 16 of P.L.2009, c.307 (C.24:6I-14) is amended to
30 read as follows:

31 16. Nothing in **【this act】 P.L.2009, c.307 (C.24:6I-1 et al.) ¹【,】**
32 **or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹【, or P.L. , c.**
33 **(C.) (pending before the Legislature as this bill)】¹ shall be**
34 **construed to require a government medical assistance program or**
35 **private health insurer to reimburse a person for costs associated**
36 **with the medical use of 【marijuana, or an employer to**
37 **accommodate the medical use of marijuana in any workplace】**
38 **cannabis, or to restrict or otherwise affect the distribution, sale,**
39 **prescribing, and dispensing of any product that has been approved**
40 **for marketing as a prescription drug or device by the federal Food**
41 **and Drug Administration.**

42 (cf: P.L.2009, c.307, s.16)

43

1 23. Section 18 of P.L.2009, c.307 (C.24:6I-16) is amended to
2 read as follows:

3 18. a. Pursuant to the "Administrative Procedure Act,"
4 P.L.1968, c.410 (C.52:14B-1 et seq.), the commissioner or, after the
5 effective date of P.L. _____, c. _____ (C. _____) (pending before the
6 Legislature as this bill), the ¹**["executive director"] commission¹** ,
7 shall promulgate rules and regulations to effectuate the purposes of
8 **["this act"] P.L.2009, c.307 (C.24:6I-1 et al.)**, in consultation with
9 the Department of Law and Public Safety.

10 b. Notwithstanding any provision of P.L.1968, c.410
11 (C.52:14B-1 et seq.) to the contrary, the commissioner shall adopt,
12 immediately upon filing with the Office of Administrative Law and
13 no later than the 90th day after the effective date of **["this act"]**
14 P.L.2009, c.307 (C.24:6I-1 et al.), such regulations as the
15 commissioner deems necessary to implement the provisions of **["this**
16 **act"] P.L.2009, c.307 (C.24:6I-1 et al.)**. Regulations adopted
17 pursuant to this subsection shall be effective until the adoption of
18 rules and regulations pursuant to subsection a. of this section and
19 may be amended, adopted, or readopted by the commissioner in
20 accordance with the requirements of P.L.1968, c.410 (C.52:14B-
21 1 et seq.).

22 c. No later than ¹**["90"] 180¹** days after the effective date of
23 P.L. _____, c. _____ (C. _____) (pending before the Legislature as this bill),
24 the ¹**["executive director"] commission¹** shall promulgate rules and
25 regulations to effectuate the purposes of P.L. _____, c. _____)
26 (pending before the Legislature as this bill). Rules and regulations
27 adopted pursuant to this subsection shall, at a minimum:

28 (1) Specify the number of new medical cannabis cultivator,
29 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹ and
30 medical cannabis dispensary permits the commission will issue in
31 the first year next following the effective date of P.L. _____, c.
32 (C. _____) (pending before the Legislature as this bill); and

33 (2) Establish recommended dosage guidelines for medical
34 cannabis in each form available to qualifying patients that are
35 equivalent to one ounce of medical cannabis in dried form. The
36 ¹**["executive director"] commission¹** shall periodically review and
37 update the dosage guidelines as appropriate, including to establish
38 dosage guidelines for new forms of medical cannabis that become
39 available.

40 ¹d. The commission may convene a task force comprised of
41 individuals with expertise in matters pertaining to the medical
42 cannabis industry to make recommendations to the commission
43 concerning the content of rules and regulations adopted by the
44 commission to implement the provisions of P.L.2009, c.307

1 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
2 Legislature as this bill).¹
3 (cf: P.L.2009, c.307, s.18)
4

5 24. (New section) a. Each batch of medical cannabis cultivated
6 by a medical cannabis cultivator or a clinical registrant and each
7 batch of a medical cannabis product produced by a medical
8 cannabis manufacturer or a clinical registrant shall be tested in
9 accordance with the requirements of section 26 of
10 P.L. , c. (C.) (pending before the Legislature as this bill) by
11 a laboratory licensed pursuant to section 25 of P.L. , c. (C.)
12 (pending before the Legislature as this bill). The laboratory
13 performing the testing shall produce a written report detailing the
14 results of the testing, a summary of which shall be included in any
15 packaging materials for medical cannabis and medical cannabis
16 products dispensed to qualifying patients and their designated and
17 institutional caregivers. The laboratory may charge a reasonable
18 fee for any test performed pursuant to this section.

19 b. The requirements of subsection a. of this section shall take
20 effect at such time as the ¹**[executive director]** commission¹
21 certifies that a sufficient number of laboratories have been licensed
22 pursuant to section 25 of P.L. , c. (C.) (pending before the
23 Legislature as this bill) to ensure that all medical cannabis and
24 medical cannabis products can be promptly tested and labeled
25 without disrupting patient access to medical cannabis.
26

27 25. (New section) a. A laboratory that performs testing services
28 pursuant to section 24 of P.L. , c. (C.) (pending before the
29 Legislature as this bill) shall be licensed by the commission and
30 may be subject to inspection by the commission to determine the
31 condition and calibration of any equipment used for testing
32 purposes and to ensure that testing is being performed in
33 accordance with the requirements of section 26 of
34 P.L. , c. (C.) (pending before the Legislature as this bill).

35 b. There shall be no upper limit on the number of laboratories
36 that may be licensed to perform testing services.

37 c. A person who has been convicted of a crime involving any
38 controlled dangerous substance or controlled substance analog as
39 set forth in chapter 35 of Title 2C of the New Jersey Statutes except
40 paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law
41 of the United States or any other state shall not be issued a license
42 to operate as or be a director, officer, or employee of a medical
43 cannabis testing laboratory, unless such conviction occurred after
44 the effective date of P.L.2009, c.307 (C.24:6I-1 et al.) and was for a
45 violation of federal law relating to possession or sale of cannabis

1 for conduct that is authorized under P.L.2009, c.307 (C.24:6I-
2 1 et al.) ¹ **[,] or** ¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹ **[, or**
3 P.L. , c. (C.) (pending before the Legislature as this bill)]¹.

4 d. (1) The ¹ **[executive director] commission**¹ shall require
5 each applicant for licensure as a medical cannabis testing laboratory
6 to undergo a criminal history record background check, except that
7 no criminal history record background check shall be required for
8 an applicant who completed a criminal history record background
9 check as a condition of professional licensure or certification.

10 For purposes of this section, the term "applicant" shall include
11 any owner, director, officer, or employee of a medical cannabis
12 testing laboratory. The ¹ **[executive director] commission**¹ is
13 authorized to exchange fingerprint data with and receive criminal
14 history record background information from the Division of State
15 Police and the Federal Bureau of Investigation consistent with the
16 provisions of applicable federal and State laws, rules, and
17 regulations. The Division of State Police shall forward criminal
18 history record background information to the ¹ **[executive director]**
19 **commission**¹ in a timely manner when requested pursuant to the
20 provisions of this section.

21 An applicant who is required to undergo a criminal history
22 record background check pursuant to this section shall submit to
23 being fingerprinted in accordance with applicable State and federal
24 laws, rules, and regulations. No check of criminal history record
25 background information shall be performed pursuant to this section
26 unless the applicant has furnished the applicant's written consent to
27 that check. An applicant who is required to undergo a criminal
28 history record background check pursuant to this section who
29 refuses to consent to, or cooperate in, the securing of a check of
30 criminal history record background information shall not be
31 considered for a license to operate, or authorization to be employed
32 at, a medical cannabis testing laboratory. An applicant shall bear
33 the cost for the criminal history record background check, including
34 all costs of administering and processing the check.

35 (2) The ¹ **[executive director] commission**¹ shall not approve an
36 applicant for a license to operate, or authorization to be employed
37 at, a medical cannabis testing laboratory if the criminal history
38 record background information of the applicant reveals a
39 disqualifying conviction as set forth in subsection c. of this section.

40 (3) Upon receipt of the criminal history record background
41 information from the Division of State Police and the Federal
42 Bureau of Investigation, the ¹ **[executive director] commission**¹
43 shall provide written notification to the applicant of the applicant's
44 qualification for or disqualification for a permit to operate or be a

1 director, officer, or employee of a medical cannabis testing
2 laboratory.

3 If the applicant is disqualified because of a disqualifying
4 conviction pursuant to the provisions of this section, the conviction
5 that constitutes the basis for the disqualification shall be identified
6 in the written notice.

7 (4) The Division of State Police shall promptly notify the
8 '[executive director] commission' in the event that an individual
9 who was the subject of a criminal history record background check
10 conducted pursuant to this section is convicted of a crime or offense
11 in this State after the date the background check was performed.
12 Upon receipt of that notification, the '[executive director]
13 commission' shall make a determination regarding the continued
14 eligibility to operate or be a director, officer, or employee of a
15 medical cannabis testing laboratory.

16 (5) Notwithstanding the provisions of subsection c. of this
17 section to the contrary, the '[executive director] commission' may
18 offer provisional authority for an applicant to be an owner, director,
19 officer, or employee of a medical cannabis testing laboratory for a
20 period not to exceed three months if the applicant submits to the
21 '[executive director] commission' a sworn statement attesting that
22 the person has not been convicted of any disqualifying conviction
23 pursuant to this section.

24 (6) Notwithstanding the provisions of subsection c. of this
25 section to the contrary, no applicant to be an owner, director,
26 officer, or employee of a medical cannabis testing laboratory shall
27 be disqualified on the basis of any conviction disclosed by a
28 criminal history record background check conducted pursuant to
29 this section if the individual has affirmatively demonstrated to the
30 '[executive director] commission' clear and convincing evidence
31 of rehabilitation. In determining whether clear and convincing
32 evidence of rehabilitation has been demonstrated, the following
33 factors shall be considered:

34 (a) the nature and responsibility of the position which the
35 convicted individual would hold, has held, or currently holds;

36 (b) the nature and seriousness of the crime or offense;

37 (c) the circumstances under which the crime or offense
38 occurred;

39 (d) the date of the crime or offense;

40 (e) the age of the individual when the crime or offense was
41 committed;

42 (f) whether the crime or offense was an isolated or repeated
43 incident;

44 (g) any social conditions which may have contributed to the
45 commission of the crime or offense; and

1 (h) any evidence of rehabilitation, including good conduct in
2 prison or in the community, counseling or psychiatric treatment
3 received, acquisition of additional academic or vocational
4 schooling, successful participation in correctional work-release
5 programs, or the recommendation of those who have had the
6 individual under their supervision.

7
8 26. (New section) a. The commission shall establish, by
9 regulation, standardized requirements and procedures for testing
10 medical cannabis and medical cannabis products.

11 b. Any test performed on medical cannabis or on a medical
12 cannabis product shall include liquid chromatography analysis to
13 determine chemical composition and potency, and, at a minimum,
14 screening for each of the following:

- 15 (1) microbial contamination;
16 (2) foreign material;
17 (3) residual pesticides;
18 (4) other agricultural residue and residual solvents; and
19 (5) heavy metals.

20 c. Laboratories shall use the dosage equivalence guidelines
21 developed by the commission pursuant to paragraph (2) of
22 subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-16) when
23 testing and determining the potency of medical cannabis products.

24 d. As a condition of licensure, each laboratory shall certify its
25 intention to seek third party accreditation in accordance with ISO
26 17025 standards in order to ensure equipment is routinely inspected,
27 calibrated, and maintained until such time as the commission issues
28 its own standards or confirms the use of ISO 17025.

29 e. Until such time as the commission establishes the standards
30 required by this section, a licensed laboratory shall utilize the
31 testing standards established by another state with a medical
32 cannabis program, which state shall be designated by the
33 ¹**[executive director]** commission¹.

34
35 ¹27. (New section) a. An individual who performs work for or
36 on behalf of a medical cannabis cultivator, medical cannabis
37 manufacturer, medical cannabis wholesaler, or medical cannabis
38 dispensary, issued a permit pursuant to section 7 of P.L.2009, c.307
39 (C.24:6I-7), a clinical registrant issued a permit pursuant to section
40 13 of P.L. , c. (C.) (pending before the Legislature as
41 this bill), or a testing laboratory licensed pursuant to section 25 of
42 P.L. , c. (C.) (pending before the Legislature as this bill)
43 shall hold a valid medical cannabis handler certification issued by
44 the commission pursuant to this section if the individual participates
45 in any activity involving obtaining, possessing, cultivating,

1 processing, manufacturing, creating, testing, transporting,
2 transferring, relocating, reselling, warehousing, dispensing, or
3 delivering medical cannabis.

4 b. An entity issued a permit pursuant to section 7 of P.L.2009,
5 c.307 (C.24:6I-7) or section 13 of P.L. , c. (C.) (pending
6 before the Legislature as this bill) or a license pursuant to section
7 25 of P.L. , c. (C.) (pending before the Legislature as this
8 bill) shall verify that, before allowing any individual to perform any
9 work described in subsection a. of this section at the premises for
10 which the permit has been issued, the individual holds a valid
11 medical cannabis handler certification issued pursuant to this
12 section.

13 c. The commission shall issue medical cannabis handler
14 certifications to qualified applicants to perform work described in
15 subsection a. of this section. The commission shall adopt rules and
16 regulations establishing: the qualifications for performing work
17 described in subsection a. of this section; the terms of a medical
18 cannabis handler certification issued pursuant to this section;
19 procedures for applying for and renewing a medical cannabis
20 handler certification issued pursuant to this section; and reasonable
21 application, issuance, and renewal fees for a medical cannabis
22 handler certification issued pursuant to this section.

23 d. The commission may require an individual applying for a
24 medical cannabis handler certification under this section to
25 successfully complete a course, to be made available by or through
26 the commission, in which the individual receives training on:
27 verifying the registration status of patients, designated caregivers,
28 and institutional caregivers; handling medical cannabis; statutory
29 and regulatory provisions relating to medical cannabis; and any
30 matter deemed necessary by the commission to protect the public
31 health and safety. The commission or other provider may charge a
32 reasonable fee for the course.

33 The commission shall not require an individual to successfully
34 complete the course required pursuant to this subsection more than
35 once, except that the commission may adopt regulations directing
36 continuing education training on a prescribed schedule. The course
37 may comprise part of the eight hours of training required for
38 employees of medical cannabis cultivators, medical cannabis
39 manufacturers, medical cannabis wholesalers, medical cannabis
40 dispensaries, and clinical registrants pursuant to paragraph (1) of
41 subsection j. of section 7 of P.L.2009, c.307 (C.24:6I-7).

42 As part of a final order suspending a medical cannabis handler
43 certification issued pursuant to this section, the commission may
44 require the holder of a medical cannabis handler certification to
45 successfully complete the course described in this subsection as a
46 condition of lifting the suspension; and as part of a final order

1 revoking a medical cannabis handler certification issued pursuant to
2 this section, the commission shall require an individual to
3 successfully complete the course described in this subsection prior
4 to applying for a new medical cannabis handler certification.

5 e. The commission shall deny an application to any applicant
6 who fails to provide information, documentation, and assurances as
7 required by P.L.2009, c.307 (C.24:6I-1 et al.) or as requested by the
8 commission, or who fails to reveal any fact material to
9 qualification, or who supplies information which is untrue or
10 misleading as to a material fact pertaining to the qualification
11 criteria for medical cannabis handler certification.

12 f. The commission may suspend, revoke, or refuse to renew a
13 medical cannabis handler certification if the individual who is
14 applying for or who holds the certification; violates any provision
15 of P.L.2009, c.307 (C.24:6I-1 et al.) or any rule or regulation
16 adopted by the commission; makes a false statement to the
17 commission; or refuses to cooperate in any investigation by the
18 commission.

19 g. A medical cannabis handler certification issued pursuant to
20 this section is a personal privilege and permits work described in
21 subsection a. of this section only for the individual who holds the
22 certification.

23 h. The commission shall enact rules and regulations governing
24 the transfer of medical cannabis and medical cannabis products
25 between medical cannabis cultivators, medical cannabis
26 manufacturers, medical cannabis wholesalers, medical cannabis
27 dispensaries, clinical registrants, and testing laboratories, which
28 regulations shall require, at a minimum:

29 (1) Transfer of medical cannabis and medical cannabis products
30 shall be made directly to the medical cannabis cultivator, medical
31 cannabis manufacturer, medical cannabis wholesaler, medical
32 cannabis dispensary, clinical registrant, or testing laboratory
33 receiving the medical cannabis or medical cannabis product.

34 (2) Transfers shall be performed by a medical cannabis handler
35 who is certified by the department to perform transfers and is at
36 least 18 years of age. Transfers of medical cannabis may be
37 performed by a medical cannabis handler who is an employee of the
38 medical cannabis cultivator, medical cannabis manufacturer,
39 medical cannabis wholesaler, medical cannabis dispensary, or
40 clinical registrant providing or receiving the transfer or by an
41 independent third party who has entered into a contract with a
42 medical cannabis cultivator, medical cannabis manufacturer,
43 medical cannabis wholesaler, medical cannabis dispensary, or
44 clinical registrant to perform transfers of medical cannabis, which
45 contract may provide for a one-time transfer of medical cannabis or
46 for ongoing transfers of medical cannabis. A medical cannabis

1 handler holding a transfer certification issued by the commission
2 may simultaneously hold a delivery certification issued by the
3 commission, subject to the requirements of paragraph (2) of
4 subsection i. of this section.

5 (3) Medical cannabis shall not be transferred to an address
6 located on land owned by the federal government or any address on
7 land or in a building leased by the federal government.

8 (4) All transfers of medical cannabis shall be made in person. A
9 transfer of medical cannabis shall not be made through the use of an
10 unmanned vehicle.

11 (5) Each certified medical cannabis handler shall carry a copy of
12 the individual's medical cannabis handler certification card and
13 transfer certification card when performing a transfer. The medical
14 cannabis handler shall present the certification cards upon request
15 to State and local law enforcement and to State and local regulatory
16 authorities and agencies.

17 (6) Each certified medical cannabis handler engaged in a
18 transfer of medical cannabis shall have access to a secure form of
19 communication with the medical cannabis cultivator, medical
20 cannabis manufacturer, medical cannabis wholesaler, medical
21 cannabis dispensary, or clinical registrant that furnished the medical
22 cannabis to the handler for transfer, such as a cellular telephone, at
23 all times that the handler is in possession of medical cannabis for
24 transfer.

25 (7) During transfer, the certified medical cannabis handler shall
26 maintain a physical or electronic copy of the transfer order, and
27 shall make it available upon request to State and local law
28 enforcement and to State and local regulatory authorities and
29 agencies.

30 (8) Vehicles used for the transfer of medical cannabis shall be
31 equipped with a secure lockbox in a secured cargo area, which shall
32 be used for the sanitary and secure transport of medical cannabis.

33 (9) A certified medical cannabis handler shall not leave medical
34 cannabis in an unattended vehicle unless the vehicle is locked and
35 equipped with an active vehicle alarm system.

36 (10) A transfer vehicle shall contain a Global Positioning
37 System (GPS) device for identifying the geographic location of the
38 vehicle. The device shall be either permanently or temporarily
39 affixed to the vehicle while the vehicle is in operation, and the
40 device shall remain active and in the possession of the certified
41 medical cannabis handler at all times while the vehicle is being
42 used for the transfer of medical cannabis. At all times, the medical
43 cannabis cultivator, medical cannabis manufacturer, medical
44 cannabis wholesaler, medical cannabis dispensary, or clinical
45 registrant that furnished the medical cannabis to the handler for
46 transfer shall be able to identify the geographic location of all

1 vehicles that are making transfers for that entity and shall provide
2 that information to the commission upon request.

3 (11) Each entity that employs a medical cannabis handler
4 certified to perform transfers of medical cannabis shall provide the
5 commission with current information concerning all vehicles
6 utilized for medical cannabis transfers, including each vehicle's
7 make, model, color, Vehicle Identification Number, license plate
8 number, and vehicle registration.

9 (12) Each medical cannabis cultivator, medical cannabis
10 manufacturer, medical cannabis wholesaler, medical cannabis
11 dispensary, and clinical registrant that engages in, or contracts with
12 an independent third party to perform, transfers of medical cannabis
13 shall maintain current hired and non-owned automobile liability
14 insurance sufficient to insure all transfer vehicles in the amount of
15 not less than \$1,000,000 per occurrence or accident.

16 (13) Transfer vehicles shall bear no markings that would either
17 identify or indicate that the vehicle is used to transport medical
18 cannabis.

19 (14) All transfers of medical cannabis shall be completed in a
20 timely and efficient manner.

21 (15) While performing transfers of medical cannabis, a certified
22 medical cannabis handler shall only travel from the premises of the
23 medical cannabis cultivator, medical cannabis manufacturer,
24 medical cannabis wholesaler, medical cannabis dispensary, or
25 clinical registrant furnishing the medical cannabis to the transfer
26 address; from one transfer address to another transfer address; from
27 a testing laboratory back to the medical cannabis cultivator, medical
28 cannabis manufacturer, or clinical registrant that furnished the
29 medical cannabis for testing purposes, or from a transfer address
30 back to the premises of the medical cannabis handler's employer. A
31 medical cannabis handler shall not deviate from the route described
32 in this paragraph, except in the event of emergency or as necessary
33 for rest, fuel, or vehicle repair stops, or because road conditions
34 make continued use of the route or operation of the vehicle unsafe,
35 impossible, or impracticable.

36 (16) The process of transfer shall begin when the certified
37 medical cannabis handler leaves the premises of the medical
38 cannabis cultivator, medical cannabis manufacturer, medical
39 cannabis wholesaler, medical cannabis dispensary, clinical
40 registrant, or testing laboratory with medical cannabis for transfer.
41 The process of transferring medical cannabis ends when the medical
42 cannabis handler returns to the premises of the medical cannabis
43 handler's employer after completing the transfer.

44 (17) Each medical cannabis handler performing transfers of
45 medical cannabis shall maintain a record of each transfer in a log,

1 which may be written or electronic. For each transfer, the log shall
2 record:

3 (a) The date and time that the transfer began and ended;

4 (b) The handler's name, medical cannabis handler certification
5 number, and medical cannabis transfer certification number;

6 (c) The tracking number of the medical cannabis; and

7 (d) The signature and employee identification number of the
8 employee accepting the transfer.

9 (18) A medical cannabis handler shall report any vehicle
10 accidents, diversions, losses, or other reportable events that occur
11 during transfer of medical cannabis to the appropriate State and
12 local authorities, including the commission. A medical cannabis
13 cultivator, medical cannabis manufacturer, medical cannabis
14 wholesaler, medical cannabis dispensary, or clinical registrant
15 furnishing medical cannabis for transfer or accepting the transfer of
16 medical cannabis shall have no criminal liability for any vehicle
17 accidents, diversions, losses, or other reportable events that occur
18 during the transfer.

19 i. The commission shall enact rules and regulations governing
20 the delivery of medical cannabis, including medical cannabis
21 products, to a registered qualifying patient, designated caregiver, or
22 institutional caregiver by a medical cannabis dispensary, which
23 regulations shall require, at a minimum:

24 (1) Delivery of medical cannabis shall only be made to a
25 registered qualifying patient at the patient's home or secondary
26 address, to the patient's designated caregiver at the caregiver's
27 home address, or directly to the patient's institutional caregiver at
28 the health care facility where the patient is a current patient or
29 resident; except that the commission shall establish a process for
30 registered qualifying patients to request delivery directly to the
31 patient at an alternate address in cases of need.

32 (2) Deliveries shall be performed by a medical cannabis handler
33 who is certified by the department to perform deliveries, is at least
34 18 years of age, is not employed by any medical cannabis
35 cultivator, medical cannabis manufacturer, medical cannabis
36 wholesaler, medical cannabis dispensary, or clinical registrant or by
37 an owner, officer, director, or significantly involved person in a
38 medical cannabis cultivator, medical cannabis manufacturer,
39 medical cannabis wholesaler, medical cannabis dispensary, or
40 clinical registrant, and has entered into a contract with a medical
41 cannabis dispensary or clinical registrant to perform deliveries of
42 medical cannabis, which contract may provide for a one-time
43 delivery or for ongoing deliveries of medical cannabis. A medical
44 cannabis handler holding a delivery certification issued by the
45 commission may simultaneously hold a transfer certification issued
46 by the commission.

- 1 (3) Medical cannabis shall not be delivered to an address located
2 on land owned by the federal government or any address on land or
3 in a building leased by the federal government.
- 4 (4) All deliveries of medical cannabis shall be made in person.
5 Delivery of medical cannabis shall not be made through the use of
6 an unmanned vehicle.
- 7 (5) Each certified medical cannabis handler shall carry a copy of
8 the individual's medical cannabis handler certification card and
9 delivery certification card when performing a delivery of medical
10 cannabis. The medical cannabis handler shall present the
11 certification cards upon request to State and local law enforcement
12 and to State and local regulatory authorities and agencies.
- 13 (6) Each certified medical cannabis handler engaged in a
14 delivery of medical cannabis shall have access to a secure form of
15 communication with the medical cannabis dispensary or clinical
16 registrant that furnished the medical cannabis to the handler for
17 delivery, such as a cellular telephone, at all times that the handler is
18 in possession of medical cannabis for delivery.
- 19 (7) During delivery, the certified medical cannabis handler shall
20 maintain a physical or electronic copy of the delivery request, and
21 shall make it available upon request to State and local law
22 enforcement and to State and local regulatory authorities and
23 agencies.
- 24 (8) Delivery vehicles shall be equipped with a secure lockbox in
25 a secured cargo area, which shall be used for the sanitary and secure
26 transport of medical cannabis.
- 27 (9) A certified medical cannabis handler shall not leave medical
28 cannabis in an unattended vehicle unless the vehicle is locked and
29 equipped with an active vehicle alarm system.
- 30 (10) A delivery vehicle shall contain a Global Positioning
31 System (GPS) device for identifying the geographic location of the
32 vehicle. The device shall be either permanently or temporarily
33 affixed to the vehicle while the vehicle is in operation, and the
34 device shall remain active and in the possession of the certified
35 medical cannabis handler at all times during which the vehicle is
36 engaged in the delivery of medical cannabis. At all times, the
37 medical cannabis dispensary or clinical registrant that furnished the
38 medical cannabis to the handler for delivery shall be able to identify
39 the geographic location of all vehicles that are making deliveries for
40 that entity and shall provide that information to the commission
41 upon request.
- 42 (11) Each entity that employs a medical cannabis handler
43 certified to deliver medical cannabis shall provide the commission
44 with current information concerning all vehicles utilized for
45 medical cannabis deliveries, including each vehicle's make, model,

1 color, Vehicle Identification Number, license plate number, and
2 vehicle registration.

3 (12) A medical cannabis dispensary or clinical registrant
4 furnishing medical cannabis to a medical cannabis handler for
5 delivery shall maintain current hired and non-owned automobile
6 liability insurance sufficient to insure all delivery vehicles in the
7 amount of not less than \$1,000,000 per occurrence or accident.

8 (13) Delivery vehicles shall bear no markings that would either
9 identify or indicate that the vehicle is used to transport medical
10 cannabis.

11 (14) All deliveries of medical cannabis shall be completed in a
12 timely and efficient manner.

13 (15) While performing deliveries of medical cannabis, a certified
14 medical cannabis handler shall only travel from the premises of the
15 medical cannabis dispensary or clinical registrant furnishing the
16 medical cannabis to the delivery address; from one delivery address
17 to another delivery address; or from a delivery address back to the
18 premises of the medical cannabis handler's employer. A medical
19 cannabis handler shall not deviate from the route described in this
20 paragraph, except in the event of emergency or as necessary for
21 rest, fuel, or vehicle repair stops, or because road conditions make
22 continued use of the route or operation of the vehicle unsafe,
23 impossible, or impracticable.

24 (16) The process of delivery shall begin when the certified
25 medical cannabis handler leaves the premises of the medical
26 cannabis dispensary or clinical registrant with medical cannabis for
27 delivery. The process of delivering medical cannabis ends when the
28 medical cannabis handler returns to the premises of the medical
29 cannabis handler's employer after completing the delivery.

30 (17) Each medical cannabis handler performing deliveries of
31 medical cannabis shall maintain a record of each delivery in a log,
32 which may be written or electronic. For each delivery, the log shall
33 record:

34 (a) The date and time that the delivery began and ended;

35 (b) The handler's name, medical cannabis handler certification
36 number, and medical cannabis delivery certification number;

37 (c) The tracking number of the medical cannabis; and

38 (d) The signature and registry number of the patient or caregiver
39 who accepted delivery.

40 (18) A medical cannabis handler shall report any vehicle
41 accidents, diversions, losses, or other reportable events that occur
42 during delivery of medical cannabis to the appropriate State and
43 local authorities, including the commission. A medical cannabis
44 cultivator, medical cannabis manufacturer, medical cannabis
45 wholesaler, medical cannabis dispensary, or clinical registrant
46 furnishing medical cannabis for delivery shall have no civil or

1 criminal liability for any vehicle accidents, diversions, losses, or
2 other reportable events that occur during delivery after such time as
3 the cultivator, manufacturer, wholesaler, dispensary, or clinical
4 registrant, as applicable, furnishes medical cannabis to the medical
5 cannabis handler making the delivery.

6 (19) Subject to the requirements of paragraph (2) of this
7 subsection, a medical cannabis dispensary or clinical registrant shall
8 be authorized to use any medical cannabis handler for the purposes
9 of delivering medical cannabis, and, subject to the requirements of
10 paragraph (2) of this subsection, a medical cannabis handler
11 possessing a delivery certification shall be authorized to provide
12 medical cannabis transport services to any medical cannabis
13 dispensary or clinical registrant.

14 j. Medical cannabis may be transferred or delivered, consistent
15 with the requirements of subsections h. and i. of this section,
16 respectively, to any location in the State. In no case may a
17 municipality restrict transfers or deliveries of medical cannabis
18 within that municipality by adoption of municipal ordinance or any
19 other measure, and any restriction to the contrary shall be deemed
20 void and unenforceable.

21 k. The commission may authorize the use of an Internet-based
22 web service developed and maintained by an independent third
23 party entity that does not hold any permit, license, or certificate
24 issued pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), and is not a
25 significantly involved person or other investor in any permit holder,
26 which web service may be used by registered qualifying patients,
27 designated caregivers, and institutional caregivers to request or
28 schedule deliveries of medical cannabis pursuant to subsection i. of
29 this section.¹

30
31 ¹28. (New section) a. A municipality may authorize, through
32 the enactment of an ordinance, the operation of locally endorsed
33 medical cannabis consumption areas by medical cannabis
34 dispensaries and clinical registrants within its jurisdiction, at which
35 areas the on-premises consumption of medical cannabis may occur.

36 b. Applications for an endorsement pursuant to this section
37 shall be made to the commission in a form and manner as shall be
38 prescribed the commission and shall set forth such information as
39 the commission may require. Each application shall be verified by
40 the oath or affirmation of such persons as the commission may
41 prescribe. The endorsement shall be conditioned upon approval by
42 a municipality. An applicant is prohibited from operating a
43 cannabis consumption area without State and local approval. If the
44 applicant does not receive approval from the municipality within
45 one year after the date of State approval, the State endorsement

1 shall expire and may not be renewed. If an application is denied by
2 the municipality or the approval of the municipality is revoked, the
3 commission shall revoke the State endorsement. Any person
4 aggrieved by the local denial of an endorsement application may
5 request a hearing in the Superior Court of the county in which the
6 application was filed. The request for a hearing shall be filed
7 within 30 days after the date the application was denied. The
8 person shall serve a copy of the person's request for a hearing upon
9 the appropriate officer for the municipality that denied the
10 application. The hearing shall be held and a record made thereof
11 within 30 days after the receipt of the application for a hearing. No
12 formal pleading and no filing fee shall be required for the hearing.

13 c. (1) The commission shall deny a State endorsement if the
14 premises on which the applicant proposes to conduct its business
15 does not meet the requirements of P.L.2009, c.307 (C.24:6I-1 et al.)
16 or for reasons set forth in this section. The commission may revoke
17 or deny an endorsement renewal, or reinstatement, or an initial
18 endorsement for good cause.

19 (2) For purposes of this subsection "good cause" means:

20 (a) the endorsed permit holder or applicant has violated, does
21 not meet, or has failed to comply with, any of the terms, conditions,
22 or provisions of this section, any rules promulgated pursuant to this
23 section, or any supplemental local laws, rules, or regulations;

24 (b) the endorsed permit holder or applicant has failed to comply
25 with any special terms or conditions that were placed on its
26 endorsement by the commission or municipality; or

27 (c) the premises have been operated in a manner that adversely
28 affects the public health or the safety of the immediate
29 neighborhood in which the medical cannabis consumption area is
30 located.

31 (3) Any commission decision made pursuant to this subsection
32 shall be considered a final agency decision for the purposes of the
33 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
34 seq.) and may be subject to judicial review as provided in the Rules
35 of Court.

36 d. A medical cannabis consumption area endorsement shall be
37 valid for one year and may be renewed annually, subject to the
38 approval of the commission and the municipality as set forth in this
39 section. The commission shall establish by rule the amount of the
40 application fee and renewal fee for the endorsement, which shall not
41 exceed the administrative cost for processing and reviewing the
42 application.

43 e. The commission shall maintain a list of all medical cannabis
44 consumption areas in the State and shall make the list available on
45 its Internet website.

- 1 f. A medical cannabis consumption area shall be located on the
2 premises of a medical cannabis dispensary or clinical registrant,
3 may be indoors or outdoors, and shall be designated by conspicuous
4 signage.
- 5 (1) An indoor medical cannabis consumption area shall be a
6 structurally enclosed area within a medical cannabis dispensary or
7 clinical registrant facility that is separated by solid walls or
8 windows from the area in which medical cannabis is dispensed and
9 shall only be accessible through an interior door after first entering
10 the facility.
- 11 (2) An outdoor medical cannabis consumption area shall be an
12 exterior structure on the same premises as the medical cannabis
13 dispensary or clinical registrant facility, that is either separate from
14 or connected to the facility, and that is not required to be
15 completely enclosed, but shall have sufficient walls, fences, or other
16 barriers to prevent any view of patients consuming medical
17 cannabis from any sidewalk or other pedestrian or non-motorist
18 right-of-way, as the case may be, within the consumption area.
- 19 (3) Nothing in this subsection shall be construed to authorize the
20 consumption of medical cannabis by smoking in any indoor public
21 place or workplace, as those terms are defined in subsection 3 of
22 P.L.2005, c.383 (C.26:3D-57), and the medical cannabis dispensary
23 or clinical registrant operating the consumption area shall ensure
24 that any smoking of medical cannabis that occurs in an outdoor
25 medical cannabis consumption area does not result in migration,
26 seepage, or recirculation of smoke to any indoor public place or
27 workplace. The commission may require a consumption area to
28 include any ventilation features as the commission deems necessary
29 and appropriate.
- 30 g. (1) A medical cannabis dispensary or clinical registrant
31 holding a medical cannabis consumption area endorsement, and the
32 employees of the dispensary or clinical registrant, subject to any
33 regulations for medical cannabis consumption areas promulgated by
34 the commission, may permit a person to bring medical cannabis into
35 a medical cannabis consumption area.
- 36 (2) A medical cannabis dispensary or clinical registrant holding
37 a medical cannabis consumption area endorsement shall not sell
38 alcohol, including fermented malt beverages or malt, vinous, or
39 spirituous liquor, sell tobacco or nicotine products, or allow the
40 consumption of alcohol, tobacco, or nicotine products on premises,
41 or operate as a retail food establishment.
- 42 (3) A medical cannabis dispensary or clinical registrant holding
43 a medical cannabis consumption area endorsement shall not allow
44 on-duty employees of the establishment to consume any medical
45 cannabis in the consumption area.

1 h. Access to a medical cannabis consumption area shall be
2 restricted to employees of the medical cannabis dispensary or
3 clinical registrant and to registered qualified patients and their
4 designated caregivers.

5 i. When a patient leaves a medical cannabis consumption area,
6 the establishment shall ensure any remaining unconsumed medical
7 cannabis that is not taken by the patient or the patient's designated
8 caregiver is destroyed.

9 j. A medical cannabis consumption area and its employees:

10 (1) shall operate the establishment in a decent, orderly, and
11 respectable manner;

12 (2) may remove an individual from the establishment for any
13 reason;

14 (3) shall not knowingly permit any activity or acts of disorderly
15 conduct; and

16 (4) shall not permit rowdiness, undue noise, or other
17 disturbances or activity offensive to the average citizen or to the
18 residents of the neighborhood in which the consumption area is
19 located.

20 k. If an emergency requires law enforcement, firefighters,
21 emergency medical services providers, or other public safety
22 personnel to enter a medical cannabis consumption area, employees
23 of the establishment shall prohibit on-site consumption of medical
24 cannabis until such personnel have completed their investigation or
25 services and have left the premises.¹

26
27 ¹29. (New section) a. (1) The commission shall develop and
28 maintain a system for tracking the cultivation of medical cannabis,
29 the manufacturing of medical cannabis products, the transfer of
30 medical cannabis and medical cannabis products between medical
31 cannabis cultivators, medical cannabis manufacturers, medical
32 cannabis wholesalers, medical cannabis dispensaries, clinical
33 registrants, and testing laboratories as authorized pursuant to
34 paragraph (5) of subsection a. of section 7 of P.L.2009, c.307
35 (C.24:6I-7) and subsection h. of section 27 of P.L. , c. (C.)
36 (pending before the Legislature as this bill), and the dispensing or
37 delivery of medical cannabis to registered qualifying patients,
38 designated caregivers, and institutional caregivers.

39 (2) The tracking system shall, among other features as
40 determined by the commission, utilize a stamp affixed to a
41 container or package for medical cannabis to assist in the collection
42 of the information required to be tracked pursuant to subsection c.
43 of this section.

44 (a) The commission, in consultation with the Director of the
45 Division of Taxation, shall secure stamps based on the designs,

1 specifications, and denominations prescribed by the commission in
2 regulation, and which incorporate encryption, security, and
3 counterfeit-resistant features to prevent the unauthorized
4 duplication or counterfeiting of any stamp. The stamp shall be
5 readable by a scanner or similar device that may be used by the
6 commission, the Director of the Division of Taxation, and medical
7 cannabis cultivators, medical cannabis manufacturers, medical
8 cannabis wholesalers, medical cannabis dispensaries, or clinical
9 registrants.

10 (b) The commission, and the Director of the Division of
11 Taxation if authorized by the commission, shall make stamps
12 available for purchase by medical cannabis cultivators, medical
13 cannabis manufacturers, and clinical registrants, which shall be the
14 only entities authorized to affix a stamp to a container or package
15 for medical cannabis in accordance with applicable regulations
16 promulgated by the commission in consultation with the Director of
17 the Division of Taxation.

18 (c) A medical cannabis cultivator, medical cannabis
19 manufacturer, medical cannabis wholesaler, medical cannabis
20 dispensary, clinical registrant, or certified medical cannabis handler
21 shall not purchase, sell, offer for sale, transfer, transport, or deliver
22 any medical cannabis unless a stamp is properly affixed to the
23 container or package for the medical cannabis.

24 b. The purposes of the system developed and maintained under
25 this section include, but are not limited to:

26 (1) preventing the diversion of medical cannabis to criminal
27 enterprises, gangs, cartels, persons not authorized to possess
28 medical cannabis, and other states;

29 (2) preventing persons from substituting or tampering with
30 medical cannabis;

31 (3) ensuring an accurate accounting of the cultivation,
32 manufacturing, transferring, resale, warehousing, dispensing, and
33 delivery of medical cannabis;

34 (4) ensuring that the testing results from licensed testing
35 laboratories are accurately reported; and

36 (5) ensuring compliance with the rules and regulations adopted
37 by the commission and any other law of this State that charges the
38 commission with a duty, function, or power related to medical
39 cannabis.

40 c. The system developed and maintained under this section
41 shall be capable of tracking, at a minimum:

42 (1) the propagation of immature medical cannabis plants and the
43 production of medical cannabis by a medical cannabis cultivator;

44 (2) the utilization of medical cannabis in the manufacture,
45 production, and creation of medical cannabis products by a medical
46 cannabis manufacturer;

- 1 (3) the receiving, warehousing, resale, and delivering of medical
2 cannabis by a medical cannabis wholesaler;
3 (4) the transfer of medical cannabis and medical cannabis
4 products to and from licensed testing laboratories for testing
5 purposes;
6 (5) the dispensing of medical cannabis by a medical cannabis
7 dispensary or clinical registrant;
8 (6) the furnishing of medical cannabis by a medical cannabis
9 dispensary or clinical registrant to a medical cannabis handler for
10 delivery;
11 (7) the delivery of medical cannabis by a medical cannabis
12 handler;
13 (8) the purchase, sale, or other transfer of medical cannabis and
14 medical cannabis products between medical cannabis cultivators,
15 medical cannabis manufacturers, medical cannabis wholesalers,
16 medical cannabis dispensaries, and clinical registrants as authorized
17 pursuant to paragraph (5) of subsection a. of section 7 of P.L.2009,
18 c.307 (C.24:6I-7) and subsection h. of section 27 of
19 P.L. , c. (C.) (pending before the Legislature as this bill);
20 and
21 (9) any other information that the commission determines is
22 reasonably necessary to accomplish the duties, functions, and
23 powers of the commission.¹

24
25 ¹[27.] 30.¹ (New section) The ¹[executive director]
26 commission¹ may waive any requirement of P.L.2009, c.307
27 (C.24:6I-1 et al.) ¹[or P.L. , c. (C.) (pending before the
28 Legislature as this bill)]¹ if the ¹[executive director] commission¹
29 determines that granting the waiver is necessary to achieve the
30 purposes of P.L.2009, c.307 (C.24:6I-1 et al.) ¹[and P.L. , c.
31 (C.) (pending before the Legislature as this bill)]¹ and provide
32 access to patients who would not otherwise qualify for the medical
33 use of cannabis to alleviate suffering from a diagnosed medical
34 condition, and does not create a danger to the public health, safety,
35 or welfare.

36
37 ¹[28. (New section) All powers, duties, and responsibilities
38 with regard to the regulation and oversight of activities authorized
39 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and
40 P.L. , c. (C.) (pending before the Legislature as this bill)
41 shall be transferred from the Department of Health to the Cannabis
42 Regulatory Commission established pursuant to section 7 of
43 P.L. , c. (C.) (pending before the Legislature as Senate Bill
44 No. 2703) at such time as the members of the Cannabis Regulatory
45 Commission are appointed and the commission first organizes. Any

1 reference to the Department of Health or the Commissioner of
2 Health in any statute or regulation pertaining to the provisions of
3 P.L.2009, c.307 (C.24:6I-1 et al.) or P.L. , c. (C.) (pending
4 before the Legislature as this bill) shall be deemed to refer to the
5 Cannabis Regulatory Commission and the Executive Director of the
6 Cannabis Regulatory Commission, respectively. The provisions of
7 this section shall be carried out in accordance with the “State
8 Agency Transfer Act,” P.L.1971, c.375 (C.52:14D-1 et seq.).¹

9
10 ¹31. (New section) a. The Cannabis Regulatory Commission is
11 hereby created in, but not of, the Department of the Treasury, to
12 assume all powers, duties, and responsibilities with regard to the
13 regulation and oversight of activities authorized pursuant to
14 P.L.2009, c.307 (C.24:6I-1 et al.) from the Department of Health
15 for the further development, expansion, regulation, and enforcement
16 of activities associated with the medical use of cannabis pursuant
17 P.L.2009, c.307 (C.24:6I-1 et al.). All powers, duties, and
18 responsibilities with regard to the regulation and oversight of
19 activities authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
20 shall be transferred from the Department of Health to the Cannabis
21 Regulatory Commission at such time as the members of the
22 commission are appointed as provided in subsection b. of this
23 section and the commission first organizes. Thereafter, any
24 reference to the Department of Health or the Commissioner of
25 Health in any statute or regulation pertaining to the provisions of
26 P.L.2009, c.307 (C.24:6I-1 et al.) shall be deemed to refer to the
27 Cannabis Regulatory Commission. The provisions of this
28 subsection shall be carried out in accordance with the “State
29 Agency Transfer Act,” P.L.1971, c.375 (C.52:14D-1 et seq.).

30 b. (1) The commission shall consist of five members, one of
31 whom shall be designated by the Governor as the chair, and one of
32 whom shall be designated the vice-chair in accordance with the
33 appointment process set forth in paragraph (7) of this subsection.

34 (2) The members of the commission shall be appointed by the
35 Governor as follows:

36 (a) One member shall be appointed upon recommendation of the
37 Senate President;

38 (b) One member shall be appointed upon recommendation of the
39 Speaker of the General Assembly;

40 (c) Three members, including the chair, shall be appointed
41 without any needed recommendation.

42 (3) Initial appointments of commission members pursuant to
43 paragraph (2) of this subsection shall not require the advice and
44 consent of the Senate. Subsequent appointments made pursuant to
45 subparagraph (c) of paragraph (2) of this subsection, including

1 reappointments of members initially appointed, shall be made with
2 the advice and consent of the Senate. Subsequent appointments
3 made pursuant to subparagraphs (a) and (b) of paragraph (2) of this
4 subsection shall be made in the same manner as the original
5 appointment.

6 (4) All five members shall be residents of this State. At least
7 one member shall be a State representative of a national
8 organization or State branch of a national organization with a stated
9 mission of studying, advocating, or adjudicating against minority
10 historical oppression, past and present discrimination,
11 unemployment, poverty and income inequality, and other forms of
12 social injustice or inequality, and all five members shall possess
13 education, training, or experience with legal, policy, or criminal
14 justice issues, corporate or industry management, finance,
15 securities, or production or distribution, medicine or pharmacology,
16 or public health, mental health, or substance use disorders.

17 (5) The chair and the other members shall serve for terms of five
18 years; provided that, for the two other members initially appointed
19 by the Governor without any needed recommendation, one shall be
20 appointed for a term of four years, and one shall be appointed for a
21 term of three years. The chair and the other members shall serve in
22 their respective capacities throughout their entire term and until
23 their successors shall have been duly appointed and qualified. Any
24 vacancy in the commission occurring for any reason other than the
25 expiration of a term, including a vacancy occurring during the term
26 of the initial chair or another initial member, shall be filled in
27 accordance with the requirements for subsequent appointments set
28 forth in paragraph (3) of this subsection for the remainder of the
29 unexpired term only.

30 (6) The chair and other members of the commission shall devote
31 full time to their respective duties of office and shall not pursue or
32 engage in any other business, occupation, or gainful employment.
33 Each member shall receive an annual salary to be fixed and
34 established by the Governor, which for the chair shall not exceed
35 \$141,000, and for the other members shall not exceed \$125,000.

36 (7) The members of the commission, at the commission's first
37 meeting when called by the chair, shall elect, by a majority of the
38 total authorized membership of the commission, one of the
39 members who is appointed based upon the recommendation of the
40 Senate President or Speaker of the General Assembly as set forth in
41 paragraph (2) of this subsection to serve as vice-chair during that
42 member's term. A new vice-chair shall be elected upon the
43 expiration of the current vice-chair's term, even if that member
44 remains on the commission until that member's successor is duly
45 appointed and qualified. The vice-chair shall be empowered to

1 carry out all of the responsibilities of the chair during the chair's
2 absence, disqualification, or inability to serve.

3 (8) A majority of the total authorized membership of the
4 commission shall be required to establish a quorum, and a majority
5 of the total authorized membership of the commission shall be
6 required to exercise its powers at any meeting thereof. However,
7 only if all five commissioners have been duly appointed in
8 accordance with the appointment process set forth in paragraph (2)
9 of this subsection, and five appointed commissioners are present at
10 a meeting, may a majority of the total authorized membership act to
11 assume the powers, duties, and responsibilities with regard to the
12 regulation and oversight of activities authorized pursuant to
13 P.L.2009, c.307 (C.24:6I-1 et al.) from the Department of Health.

14 (9) The commission shall adopt annually a schedule of regular
15 meetings, and special meetings may be held at the call of the chair.

16 (10) Any member of the commission may be removed from
17 office by the Governor, for cause, upon notice and opportunity to be
18 heard at a public hearing. Any member of the commission shall
19 automatically forfeit the member's office upon conviction for any
20 crime.

21 c. (1) The commission may establish, and from time to time
22 alter, a plan of organization, and employ personnel as it deems
23 necessary under the direct supervision of a full-time executive
24 director for the commission. The plan of organization shall include
25 the Office of Minority, Disabled Veterans, and Women Medical
26 Cannabis Business Development established by section 32 of
27 P.L. , c. (C.) (pending before the Legislature as this bill).

28 (a) The initial executive director shall be appointed by the
29 Governor, and thereafter every subsequent executive director shall
30 be appointed by the Governor with the advice and consent of the
31 Senate. The executive director shall serve at the pleasure of the
32 appointing Governor during the Governor's term of office and until
33 a successor has been duly appointed and qualified. Any vacancy in
34 the office occurring for any reason other than the expiration of a
35 term, including a vacancy occurring during the term of the initial
36 executive director, shall be filled for the unexpired term only in the
37 same manner as the appointment of any subsequent executive
38 director as set forth herein. The executive director shall receive an
39 annual salary to be fixed and established by the Governor, which
40 shall be at an amount not to exceed the annual salary of a member
41 of the commission not serving as chair, as set forth in paragraph (6)
42 of subsection b. of this section.

43 (b) (i) All employees of the commission under the direct
44 supervision of the executive director, except for secretarial and
45 clerical personnel, shall be in the State's unclassified service. All
46 employees shall be deemed confidential employees for the purposes

1 of the “New Jersey Employer-Employee Relations Act,” P.L.1941,
2 c.100 (C.34:13A-1 et seq.).

3 (ii) If, as a result of transferring powers, duties, and
4 responsibilities with regard to the regulation and oversight of
5 activities authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
6 from the Department of Health to the commission pursuant to
7 subsection a. of this section, the commission needs to employ an
8 individual to fill a position, employees of the department who
9 performed the duties of the position to be filled shall be given a
10 one-time right of first refusal offer of employment with the
11 commission, and such employees may be removed by the
12 commission for cause or if deemed unqualified to hold the position,
13 notwithstanding any other provision of law to the contrary. A
14 department employee who becomes employed by the commission
15 shall retain as an employee of the commission the seniority, and all
16 rights related to seniority, that the employee had with the
17 department as of the last day of employment with the department;
18 provided, however, that such seniority and seniority rights shall be
19 retained only by an employee who was transferred from
20 employment with the department to employment with the
21 commission, and shall not be retained by an employee who was
22 removed from employment with the department due to layoff
23 procedures or who resigned from a position with the department
24 prior to being hired by the commission.

25 (2) The commission may sue and be sued in any court, employ
26 legal counsel to represent the commission in any proceeding to
27 which it is a party and render legal advice to the commission upon
28 its request, as well as contract for the services of other professional,
29 technical, and operational personnel and consultants as may be
30 necessary to the performance of its responsibilities.

31 (3) The commission may incur additional expenses within the
32 limits of funds available to it in order to carry out its duties,
33 functions, and powers under P.L.2009, c.307 (C.24:6I-1 et al.).

34 d. With respect to the activities of the commission, neither the
35 President of the Senate or the Speaker of the General Assembly
36 shall be permitted to appear or practice or act in any capacity
37 whatsoever before the commission regarding any matter
38 whatsoever, nor shall any member of the immediate family of the
39 Governor, President of the Senate, or Speaker of the General
40 Assembly be permitted to so practice or appear in any capacity
41 whatsoever before the commission regarding any matter
42 whatsoever. As used in this subsection, “immediate family” means
43 the spouse, domestic partner, or civil union partner, and any
44 dependent child or stepchild, recognized by blood or by law, of the
45 Governor, President of the Senate, or Speaker of the General
46 Assembly, or of the spouse, domestic partner, or civil union partner

1 residing in the same household as the Governor, President of the
2 Senate, or Speaker of the General Assembly.

3 e. The commission may designate its powers and authority as it
4 deems necessary and appropriate to carry out its duties and
5 implement the provisions of P.L.2009, c.307 (C.24:6I-1 et al.).

6 f. The commission shall, no later than three years after the date
7 it first organizes, contract with a public research university, as
8 defined in section 3 of P.L.1994, c.48 (C.18A:3B-3), to conduct an
9 independent study to review:

10 (1) the commission's organization;

11 (2) the commission's regulation and enforcement activities;

12 (3) the overall effectiveness of the commission as a full time
13 entity; and

14 (4) whether the regulation and oversight of medical cannabis
15 could be more effectively and efficiently managed through a
16 reorganization of the commission, consolidation of the commission
17 within the Department of Health or another Executive Branch
18 department, conversion to a part-time commission, or the transfer of
19 some or all of the commission's operations elsewhere within the
20 Executive Branch.

21 The commission shall submit the findings of the independent
22 study, along with the commission's recommendations for
23 appropriate executive, administrative, or legislative action, to the
24 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
25 19.1), to the Legislature.¹

26
27 ¹32. (New section) a. There is hereby established in the
28 commission an Office of Minority, Disabled Veterans, and Women
29 Medical Cannabis Business Development. The office shall be
30 under the immediate supervision of a director. The director of the
31 office shall be appointed by the Governor, and shall serve at the
32 pleasure of the appointing Governor during the Governor's term of
33 office and until a successor has been duly appointed and qualified.
34 Any vacancy in the directorship occurring for any reason other than
35 the expiration of the director's term of office shall be filled for the
36 unexpired term only in the same manner as the original
37 appointment. The director shall receive an annual salary as
38 provided by law which shall be at an amount not to exceed the
39 annual salary of the executive director of the commission.

40 b. (1) The office shall establish and administer, under the
41 direction of the commission, unified practices and procedures for
42 promoting participation in the medical cannabis industry by persons
43 from socially and economically disadvantaged communities,
44 including by prospective and existing ownership of minority
45 businesses and women's businesses, as these terms are defined in

1 section 2 of P.L.1986, c.195 (C.52:27H-21.18), and disabled
2 veterans' businesses as defined in section 2 of P.L.2015, c.116
3 (C.52:32-31.2), to be issued medical cannabis cultivator, medical
4 cannabis manufacturer, medical cannabis wholesaler, medical
5 cannabis dispensary, and clinical registrant permits. These unified
6 practices and procedures shall include the certification and
7 subsequent recertification at regular intervals of a business as a
8 minority or women's business, or a disabled veterans' business, in
9 accordance with eligibility criteria and a certification application
10 process established by the commission through regulation in
11 consultation with the office.

12 (2) The office shall conduct advertising and promotional
13 campaigns, and shall disseminate information to the public, to
14 increase awareness for participation in the medical cannabis
15 industry by persons from socially and economically disadvantaged
16 communities. To this end, the office shall sponsor seminars and
17 informational programs, and shall provide information on its
18 Internet website, providing practical information concerning the
19 medical cannabis industry, including information on business
20 management, marketing, and other related matters.

21 c. (1) The office shall develop, recommend, and implement
22 policies, practices, protocols, standards, and criteria designed to
23 promote the formulation of medical cannabis business entities and
24 participation in the medical cannabis industry by persons from
25 socially and economically disadvantaged communities, including by
26 promoting applications for, and the issuance of, medical cannabis
27 cultivator, medical cannabis manufacturer, medical cannabis
28 wholesaler, medical cannabis dispensary, and clinical registrant
29 permits to certified minority, women's, and disabled veterans'
30 businesses. The office shall evaluate the effectiveness of these
31 measures by considering whether the measures have resulted in new
32 medical cannabis cultivator, medical cannabis manufacturer,
33 medical cannabis wholesaler, and medical cannabis dispensary
34 permits being issued in accordance with the provisions of
35 subsection g. of section 12 of P.L. , c. (C.) (pending
36 before the Legislature as this bill).

37 (2) The office shall periodically analyze the total number of
38 permits issued by the commission as compared with the number of
39 certified minority, women's, and disabled veterans' businesses that
40 submitted applications for, and that were awarded, such permits.
41 The office shall make good faith efforts to establish, maintain, and
42 enhance the measures designed to promote the formulation and
43 participation in the operation of medical cannabis businesses by
44 persons from socially and economically disadvantaged communities
45 consistent with the standards set forth in paragraph (1) of this
46 subsection, and to coordinate and assist the commission with

1 respect to its incorporation of these permitting measures into the
2 application and review process for issuing permits under P.L.2009,
3 c.307 (C.24:6I-1 et al.).

4 d. The office may review the commission's measures regarding
5 participation in the medical cannabis industry by persons from
6 socially and economically disadvantaged communities, and
7 minority, women's, and disabled veterans' businesses, and make
8 recommendations on relevant policy and implementation matters for
9 the improvement thereof. The office may consult with experts or
10 other knowledgeable individuals in the public or private sector on
11 any aspect of its mission.

12 e. The office shall prepare information regarding its activities
13 pursuant to this section concerning participation in the medical
14 cannabis industry by persons from socially and economically
15 disadvantaged communities, including medical cannabis business
16 development initiatives for minority, women's, and disabled
17 veterans' businesses participating in the medical cannabis
18 marketplace, to be incorporated by the commission into its annual
19 report submitted to the Governor and to the Legislature pursuant to
20 section 14 of P.L.2009, c.307 (C.24:6I-12).¹

21
22 ¹33. (New section) a. No person shall be appointed to or
23 employed by the commission if, during the period commencing
24 three years prior to appointment or employment, the person held
25 any direct or indirect interest in, or any employment by, any holder
26 of, or applicant for, a medical cannabis cultivator, medical cannabis
27 manufacturer, medical cannabis wholesaler, medical cannabis
28 dispensary, or clinical registrant permit pursuant to P.L.2009, c.307
29 (C.24:6I-1 et al.) or otherwise employs any certified medical
30 cannabis handler to perform transfers or deliveries of medical
31 cannabis; provided, however, that notwithstanding any other
32 provision of law to the contrary, any such person may be appointed
33 to or employed by the commission if the person's prior interest in
34 any such permit holder or applicant would not, in the opinion of the
35 commission, interfere with the objective discharge of the person's
36 obligations of appointment or employment, but in no instance shall
37 any person be appointed to or employed by the commission if the
38 person's prior interest in such permit holder or applicant constituted
39 a controlling interest in that permit holder or applicant; and
40 provided further, however, that notwithstanding any other provision
41 of law to the contrary, any such person may be employed by the
42 commission in a secretarial or clerical position if, in the opinion of
43 the commission, the person's previous employment by, or interest
44 in, any permit holder would not interfere with the objective
45 discharge of the person's employment obligations.

1 b. Prior to appointment or employment, each member of the
2 commission and each employee of the commission shall swear or
3 affirm that the member or employee, as applicable, possesses no
4 interest in any business or organization issued a medical cannabis
5 cultivator, medical cannabis manufacturer, medical cannabis
6 wholesaler, medical cannabis dispensary, or clinical registrant
7 permit by the commission.

8 c. (1) Each member of the commission shall file with the State
9 Ethics Commission a financial disclosure statement listing all assets
10 and liabilities, property and business interests, and sources of
11 income of the member and the member's spouse, domestic partner,
12 or partner in a civil union couple, as the case may be, and shall also
13 provide to the State Ethics Commission in the same financial
14 disclosure statement a list of all assets and liabilities, property and
15 business interests, and sources of income of each dependent child or
16 stepchild, recognized by blood or by law, of the member, or of the
17 spouse, domestic partner, or partner in a civil union couple residing
18 in the same household as the member. Each statement shall be
19 under oath and shall be filed at the time of appointment and
20 annually thereafter.

21 (2) Each employee of the commission, except for secretarial and
22 clerical personnel, shall file with the State Ethics Commission a
23 financial disclosure statement listing all assets and liabilities,
24 property and business interests, and sources of income of the
25 employee and the employee's spouse, domestic partner, or partner in
26 a civil union couple, as the case may be. Such statement shall be
27 under oath and shall be filed at the time of employment and
28 annually thereafter. Notwithstanding the provisions of subsection
29 (n) of section 10 of P.L.1971, c.182 (C.52:13D-21), only financial
30 disclosure statements filed by a commission employee who is in a
31 policy-making management position shall be posted on the Internet
32 website of the State Ethics Commission.¹

33
34 ¹34. (New section) a. The “New Jersey Conflicts of Interest
35 Law,” P.L.1971, c.182 (C.52:13D-12 et seq.) shall apply to
36 members of the commission and to all employees of the
37 commission, except as herein specifically provided.

38 b. (1) The commission shall promulgate and maintain a Code
39 of Ethics that is modeled upon the Code of Judicial Conduct of the
40 American Bar Association, as amended and adopted by the Supreme
41 Court of New Jersey.

42 (2) The Code of Ethics promulgated and maintained by the
43 commission shall not be in conflict with the laws of this State,
44 except, however, that the Code of Ethics may be more restrictive
45 than any law of this State.

1 c. The Code of Ethics promulgated and maintained by the
2 commission, and any amendments or restatements thereof, shall be
3 submitted to the State Ethics Commission for approval. The Codes
4 of Ethics shall include, but not be limited to, provisions that:

5 (1) No commission member or employee shall be permitted to
6 enter and engage in any activities, nor have any interest, directly or
7 indirectly, in any medical cannabis cultivator, medical cannabis
8 manufacturer, medical cannabis wholesaler, medical cannabis
9 dispensary, or clinical registrant issued a permit by the commission
10 in accordance with the P.L.2009, c.307 (C.24:6I-1 et al.) or any
11 entity that employs any certified medical cannabis handler to
12 perform transfers or deliveries of medical cannabis, except in the
13 course of the member's or employee's duties; provided that nothing
14 in this paragraph shall be construed to prohibit a member or
15 employee who is a registered qualifying patient, or who is serving
16 as a designated caregiver or institutional caregiver for a registered
17 qualifying patient, from being dispensed medical cannabis
18 consistent with the requirements of P.L.2009, c.307 (C.24:6I-
19 1 et al.).

20 (2) No commission member or employee shall solicit or accept
21 employment from any holder of, or applicant for, a medical
22 cannabis cultivator, medical cannabis manufacturer, medical
23 cannabis wholesaler, medical cannabis dispensary, or clinical
24 registrant permit or any entity that employs any certified medical
25 cannabis handler to perform transfers or deliveries of medical
26 cannabis for a period of two years after termination of service with
27 the commission, except as otherwise provided in section 35 of
28 P.L. , c. (C.) (pending before the Legislature as this bill).

29 (3) No commission member or employee shall act in the
30 member's or employee's official capacity in any matter wherein the
31 member, employee, or the member's or employee's spouse,
32 domestic partner, or partner in a civil union couple, or child, parent,
33 or sibling has a direct or indirect personal financial interest that
34 might reasonably be expected to impair the member's or
35 employee's objectivity or independence of judgment.

36 (4) No commission member or employee shall act in the
37 member's or employee's official capacity in a matter concerning
38 any holder of, or applicant for, a medical cannabis cultivator,
39 medical cannabis manufacturer, medical cannabis wholesaler,
40 medical cannabis dispensary, or clinical registrant permit or any
41 entity that employs any certified medical cannabis handler to
42 perform transfers or deliveries of medical cannabis who is the
43 employer of a spouse, domestic partner, or partner in a civil union
44 couple, or child, parent, or sibling of the commission member or
45 employee when the fact of the employment of the spouse, domestic
46 partner, or partner in a civil union couple, or child, parent, or

1 sibling might reasonably be expected to impair the objectivity and
2 independence of judgment of the commission member or employee.

3 (5) No spouse, domestic partner, or partner in a civil union
4 couple, or child, parent, or sibling of a commission member shall be
5 employed in any capacity by any holder of, or applicant for, a
6 medical cannabis cultivator, medical cannabis manufacturer,
7 medical cannabis wholesaler, medical cannabis dispensary, or
8 clinical registrant permit, or any entity that employs any certified
9 medical cannabis handler to perform transfers or deliveries of
10 medical cannabis nor by any holding, intermediary, or subsidiary
11 company thereof.

12 (6) No commission member shall meet with any person, except
13 for any other member of the commission or employee of the
14 commission, or discuss any issues involving any pending or
15 proposed application or any matter whatsoever which may
16 reasonably be expected to come before the commission, or any
17 member thereof, for determination unless the meeting or discussion
18 takes place on the business premises of the commission, provided,
19 however, that commission members may meet to consider matters
20 requiring the physical inspection of equipment or premises at the
21 location of the equipment or premises. All meetings or discussions
22 subject to this paragraph shall be noted in a log maintained for this
23 purpose and available for inspection pursuant to the provisions of
24 P.L.1963, c.73 (C.47:1A-1 et seq.).

25 d. No commission member or employee shall have any interest,
26 direct or indirect, in any holder of, or applicant for, a medical
27 cannabis cultivator, medical cannabis manufacturer, medical
28 cannabis wholesaler, medical cannabis dispensary, or clinical
29 registrant permit or in any entity that employs any certified medical
30 cannabis handler to perform transfers or deliveries of medical
31 cannabis during the member's term of office or employee's term of
32 employment.

33 e. Each commission member and employee shall devote the
34 member's or employee's entire time and attention to the member's
35 or employee's duties, as applicable, and shall not pursue any other
36 business or occupation or other gainful employment; provided,
37 however, that secretarial and clerical personnel may engage in such
38 other gainful employment as shall not interfere with their duties to
39 the commission, unless otherwise directed; and provided further,
40 however, that other employees of the commission may engage in
41 such other gainful employment as shall not interfere or be in
42 conflict with their duties to the commission or division, upon
43 approval by the commission, as the case may be.

44 f. (1) A member of the commission and the executive director
45 or any other employee of the commission holding a supervisory or
46 policy-making management position shall not make any

1 contribution as that term is defined in “The New Jersey Campaign
2 Contributions and Expenditures Reporting Act,” P.L.1973, c.83
3 (C.19:44A-1 et seq.).

4 (2) A member or employee of the commission shall not:

5 (a) use the member’s or employee’s official authority or
6 influence for the purpose of interfering with or affecting the result
7 of an election or a nomination for office;

8 (b) directly or indirectly coerce, attempt to coerce, command, or
9 advise any person to pay, lend, or contribute anything of value to a
10 party, committee, organization, agency, or person for political
11 purposes; or

12 (c) take any active part in political campaigns or the
13 management thereof; provided, however, that nothing herein shall
14 prohibit a member or employee from voting as the member or
15 employee chooses or from expressing personal opinions on political
16 subjects and candidates.

17 g. For the purpose of applying the provisions of the “New
18 Jersey Conflicts of Interest Law,” any consultant or other person
19 under contract for services to the commission shall be deemed to be
20 a special State employee, except that the restrictions of section 4 of
21 P.L.1981, c.142 (C.52:13D-17.2) shall not apply to such person.
22 Such person and any corporation, firm, or partnership in which the
23 person has an interest or by which the person is employed shall not
24 represent any person or party other than the commission.¹

25
26 ¹35. (New section) a. No member of the commission shall hold
27 any direct or indirect interest in, or be employed by, any holder of,
28 or applicant for, a medical cannabis cultivator, medical cannabis
29 manufacturer, medical cannabis wholesaler, medical cannabis
30 dispensary, or clinical registrant permit issued pursuant to P.L.2009,
31 c.307 (C.24:6I-1 et al.) or in any entity that employs any certified
32 medical cannabis handler to perform transfers or deliveries of
33 medical cannabis for a period of two years commencing on the date
34 that membership on the commission terminates.

35 b. (1) No employee of the commission may acquire any direct
36 or indirect interest in, or accept employment with, any holder of, or
37 applicant for, a medical cannabis cultivator, medical cannabis
38 manufacturer, medical cannabis wholesaler, medical cannabis
39 dispensary, or clinical registrant permit or in any entity that
40 employs any certified medical cannabis handler to perform transfers
41 or deliveries of medical cannabis, for a period of two years
42 commencing at the termination of employment with the
43 commission, except that a secretarial or clerical employee of the
44 commission may accept such employment at any time after the
45 termination of employment with the commission. At the end of two

1 years and for a period of two years thereafter, a former employee
2 who held a policy-making management position at any time during
3 the five years prior to termination of employment may acquire an
4 interest in, or accept employment with, any holder of, or applicant
5 for, a medical cannabis cultivator, medical cannabis manufacturer,
6 medical cannabis wholesaler, medical cannabis dispensary, or
7 clinical registrant permit or in any entity that employs any certified
8 medical cannabis handler to perform transfers or deliveries of
9 medical cannabis, upon application to, and the approval of, the
10 commission, upon a finding that the interest to be acquired or the
11 employment will not create the appearance of a conflict of interest
12 and does not evidence a conflict of interest in fact.

13 (2) Notwithstanding the provisions of this subsection, if the
14 employment of a commission employee, other than an employee
15 who held a policy-making management position at any time during
16 the five years prior to termination of employment, is terminated as a
17 result of a reduction in the workforce at the commission, the
18 employee may, at any time prior to the end of the two-year period,
19 accept employment with any holder of, or applicant for, a medical
20 cannabis cultivator, medical cannabis manufacturer, medical
21 cannabis wholesaler, medical cannabis dispensary, or clinical
22 registrant permit or any entity that employs any certified medical
23 cannabis handler to perform transfers or deliveries of medical
24 cannabis, upon application to, and the approval of, the commission,
25 upon a finding that the employment will not create the appearance
26 of a conflict of interest and does not evidence a conflict of interest
27 in fact. The commission shall take action on an application within
28 30 days of receipt and an application may be submitted to the
29 commission prior to or after the commencement of the employment.

30 c. No commission member or employee shall represent any
31 person or party other than the State before or against the
32 commission for a period of two years from the termination of office
33 or employment with the commission.

34 d. No partnership, firm, or corporation in which a former
35 commission member or employee has an interest, nor any partner,
36 officer, or employee of any such partnership, firm, or corporation
37 shall make any appearance or representation which is prohibited to
38 the former member or employee.¹

39
40 ¹36. (New section) a. (1) No holder of, or applicant for, a
41 medical cannabis cultivator, medical cannabis manufacturer,
42 medical cannabis wholesaler, medical cannabis dispensary, or
43 clinical registrant permit issued pursuant to P.L.2009, c.307
44 (C.24:6I-1 et al.) or any entity that employs any certified medical
45 cannabis handler to perform transfers or deliveries of medical

1 cannabis shall employ or offer to employ, or provide, transfer, or
2 sell, or offer to provide, transfer, or sell any interest, direct or
3 indirect, in any medical cannabis cultivator, medical cannabis
4 manufacturer, medical cannabis wholesaler, medical cannabis
5 dispensary, or clinical registrant permit holder to any person
6 restricted from such transactions by the provisions of sections 33
7 through 35 of P.L. , c. (C.) (pending before the Legislature
8 as this bill).

9 (2) In addition to any civil penalty imposed pursuant to
10 subsection c. of this section, the commission may deny an
11 application, or revoke or suspend a permit holder's permit, for
12 committing a violation of this subsection.

13 b. (1) A member or employee of the commission who makes
14 or causes to be made a political contribution prohibited under
15 subsection f. of section 34 of P.L. , c. (C.) (pending before
16 the Legislature as this bill) is guilty of a crime of the fourth degree,
17 but notwithstanding the provisions of subsection b. of N.J.S.2C:43-
18 3, a fine not to exceed \$200,000 may be imposed.

19 (2) A member or employee of the commission who willfully
20 violates any other provisions in sections 33 through 35 of P.L. ,
21 c. (C.) (pending before the Legislature as this bill) is guilty of
22 a disorderly persons offense.

23 c. The State Ethics Commission, established pursuant to the
24 "New Jersey Conflicts of Interest Law," P.L.1971, c.182
25 (C.52:13D-12 et seq.), shall enforce the provisions of sections 33
26 through 36 of P.L. , c. (C.) (pending before the Legislature
27 as this bill), and upon a finding of a violation, impose a civil
28 penalty of not less than \$500 nor more than \$10,000, which penalty
29 may be collected in a summary proceeding pursuant to the "Penalty
30 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
31 If a violation also represents a crime or disorderly persons offense
32 as set forth in subsection b. of this section, the State Ethics
33 Commission shall also refer the matter to the Attorney General or
34 appropriate county prosecutor for further investigation and
35 prosecution.¹

36
37 ¹37. Section 2 of P.L.1971, c.182 (C.52:13D-13) is amended to
38 read as follows:

39 2. As used in this act, and unless a different meaning clearly
40 appears from the context, the following terms shall have the
41 following meanings:

42 a. "State agency" means any of the principal departments in the
43 Executive Branch of the State Government, and any division, board,
44 bureau, office, commission, or other instrumentality within or
45 created by such department, the Legislature of the State, and any

1 office, board, bureau, or commission within or created by the
2 Legislative Branch, and, to the extent consistent with law, any
3 interstate agency to which New Jersey is a party and any
4 independent State authority, commission, instrumentality, or
5 agency. A county or municipality shall not be deemed an agency or
6 instrumentality of the State.

7 b. "State officer or employee" means any person, other than a
8 special State officer or employee; (1) holding an office or
9 employment in a State agency, excluding an interstate agency, other
10 than a member of the Legislature; or (2) appointed as a New Jersey
11 member to an interstate agency.

12 c. "Member of the Legislature" means any person elected to
13 serve in the General Assembly or the Senate.

14 d. "Head of a State agency" means; (1) in the case of the
15 Executive Branch of government, except with respect to interstate
16 agencies, the department head or, if the agency is not assigned to a
17 department, the Governor~~[,]~~; and (2) in the case of the Legislative
18 Branch, the chief presiding officer of each House of the Legislature.

19 e. "Special State officer or employee" means; (1) any person
20 holding an office or employment in a State agency, excluding an
21 interstate agency, for which office or employment no compensation
22 is authorized or provided by law, or no compensation other than a
23 sum in reimbursement of expenses, whether payable per diem or per
24 annum, is authorized or provided by law; (2) any person, not a
25 member of the Legislature, holding a part-time elective or
26 appointive office or employment in a State agency, excluding an
27 interstate agency~~[,]~~; or (3) any person appointed as a New Jersey
28 member to an interstate agency the duties of which membership are
29 not full-time.

30 f. "Person" means any natural person, association or
31 corporation.

32 g. "Interest" means; (1) the ownership or control of more than
33 ~~10%~~ 10 percent of the profits or assets of a firm, association, or
34 partnership, or more than ~~10%~~ 10 percent of the stock in a
35 corporation for profit other than a professional service corporation
36 organized under the "Professional Service Corporation Act,"
37 P.L.1969, c.232 (C. 14A:17-1 et seq.); or (2) the ownership or
38 control of more than ~~1%~~ one percent of the profits of a firm,
39 association, or partnership, or more than ~~1%~~ one percent of the
40 stock in any corporation, (a) which is the holder of, or an applicant
41 for, a casino license or in any holding or intermediary company
42 with respect thereto, as defined by the "Casino Control Act,"
43 P.L.1977, c.110 (C.5:12-1 et seq.), or (b) which is the holder of, or
44 an applicant for, a medical cannabis cultivator, medical cannabis
45 manufacturer, medical cannabis wholesaler, medical cannabis

1 dispensary, or clinical registrant permit issued pursuant P.L.2009,
2 c.307 (C.24:6I-1 et al.), or any holding or intermediary company
3 with respect thereto. The provisions of this act governing the
4 conduct of individuals are applicable to shareholders, associates or
5 professional employees of a professional service corporation
6 regardless of the extent or amount of their shareholder interest in
7 such a corporation.

8 h. "Cause, proceeding, application or other matter" means a
9 specific cause, proceeding or matter and does not mean or include
10 determinations of general applicability or the preparation or review
11 of legislation which is no longer pending before the Legislature or
12 the Governor.

13 i. "Member of the immediate family" of any person means the
14 person's spouse, domestic partner, civil union partner, child, parent,
15 or sibling residing in the same household.
16 (cf: P.L.1987, c.432, s.2)¹

17
18 ¹38. Section 4 of P.L.1981, c.142 (C.52:13D-17.2) is amended
19 to read as follows:

20 4. a. As used in this section "person" means:

21 (1) **【**any State officer or employee subject to financial disclosure
22 by law or executive order and any other State officer or employee
23 with responsibility for matters affecting casino activity; any special
24 State officer or employee with responsibility for matters affecting
25 casino activity;**】** (a) with respect to casino activity and activity
26 related to medical cannabis authorized pursuant to P.L.2009, c.307
27 (C.24:6I-1 et al.), the Governor; 【any member of the Legislature
28 or】 the President of the Senate; the Speaker of the General
29 Assembly; any full-time member of the Judiciary; any full-time
30 professional employee of the Office of the Governor **【**, or the
31 Legislature; members of the Casino Reinvestment Development
32 Authority**】**; the head of a principal department; the assistant or
33 deputy heads of a principal department, including all assistant and
34 deputy commissioners; the head of any division of a principal
35 department;

36 (b) with respect to casino activity, any State officer or employee
37 subject to financial disclosure by law or executive order and any
38 other State officer or employee with responsibility for matters
39 affecting casino activity; any special State officer or employee with
40 responsibility for matters affecting casino activity; any member of
41 the Legislature; any full-time professional employee of the
42 Legislature; members of the Casino Reinvestment Development
43 Authority; or

44 (c) with respect to activity related to medical cannabis authorized
45 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), any State officer or

1 employee subject to financial disclosure by law or executive order
2 and any other State officer or employee with responsibility for
3 matters affecting medical cannabis activity; any special State officer
4 or employee with responsibility for matters affecting medical
5 cannabis activity; members of the Cannabis Regulatory
6 Commission; or

7 (2) (a) any member of the governing body, or the municipal
8 judge or the municipal attorney of a municipality wherein a casino
9 is located; any member of or attorney for the planning board or
10 zoning board of adjustment of a municipality wherein a casino is
11 located, or any professional planner, or consultant regularly
12 employed or retained by such planning board or zoning board of
13 adjustment; or

14 (b) any member of the governing body or the municipal judge of
15 a municipality, any member of the planning board or zoning board
16 of adjustment, or any professional planner, or consultant regularly
17 employed or retained by such planning board or zoning board of
18 adjustment, of a municipality wherein a medical cannabis
19 cultivator, medical cannabis manufacturer, medical cannabis
20 wholesaler, medical cannabis dispensary, or clinical registrant
21 issued a permit pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) is
22 located.

23 b. (1) No State officer or employee, nor any person, nor any
24 member of the immediate family of any State officer or employee,
25 or person, nor any partnership, firm, or corporation with which any
26 such State officer or employee or person is associated or in which
27 he has an interest, nor any partner, officer, director, or employee
28 while he is associated with such partnership, firm, or corporation,
29 shall hold, directly or indirectly, an interest in, or hold employment
30 with, or represent, appear for, or negotiate on behalf of, any holder
31 of, or applicant for, a casino license, or any holding or intermediary
32 company with respect thereto, in connection with any cause,
33 application, or matter, except as provided in section 3 of P.L.2009,
34 c.26 (C.52:13D-17.3), and except that **[(1)]** (a) a State officer or
35 employee other than a State officer or employee included in the
36 definition of person, and **[(2)]** (b) a member of the immediate
37 family of a State officer or employee, or of a person, may hold
38 employment with the holder of, or applicant for, a casino license if,
39 in the judgment of the State Ethics Commission, the Joint
40 Legislative Committee on Ethical Standards, or the Supreme Court,
41 as appropriate, such employment will not interfere with the
42 responsibilities of the State officer or employee, or person, and will
43 not create a conflict of interest, or reasonable risk of the public
44 perception of a conflict of interest, on the part of the State officer or
45 employee, or person. No special State officer or employee without

1 responsibility for matters affecting casino activity, excluding those
2 serving in the Departments of Education, Health **【and Senior**
3 **Services】**, and Human Services and the **【Commission on】** Office of
4 the Secretary of Higher Education, shall hold, directly or indirectly,
5 an interest in, or represent, appear for, or negotiate on behalf of, any
6 holder of, or applicant for, a casino license, or any holding or
7 intermediary company with respect thereto, in connection with any
8 cause, application, or matter. However, a special State officer or
9 employee without responsibility for matters affecting casino
10 activity may hold employment directly with any holder of or
11 applicant for a casino license or any holding or intermediary
12 company thereof and if so employed may hold, directly or
13 indirectly, an interest in, or represent, appear for, or negotiate on
14 behalf of, **【his】** that employer, except as otherwise prohibited by
15 law.

16 (2) No State officer or employee, nor any person, nor any
17 member of the immediate family of any State officer or employee,
18 or person, nor any partnership, firm, or corporation with which any
19 such State officer or employee or person is associated or in which
20 he has an interest, nor any partner, officer, director, or employee
21 while he is associated with such partnership, firm, or corporation,
22 shall hold, directly or indirectly, an interest in, or hold employment
23 with, or represent, appear for, or negotiate on behalf of, or derive
24 any remuneration, payment, benefit, or any other thing of value for
25 any services, including but not limited to consulting or similar
26 services, from any holder of, or applicant for, a license, permit, or
27 other approval to conduct Internet gaming, or any holding or
28 intermediary company with respect thereto, or any Internet gaming
29 affiliate of any holder of, or applicant for, a casino license, or any
30 holding or intermediary company with respect thereto, or any
31 business, association, enterprise, or other entity that is organized, in
32 whole or in part, for the purpose of promoting, advocating for, or
33 advancing the interests of the Internet gaming industry generally or
34 any Internet gaming-related business or businesses in connection
35 with any cause, application, or matter, except as provided in section
36 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that **【(1)】** (a) a
37 State officer or employee other than a State officer or employee
38 included in the definition of person, and **【(2)】** (b) a member of the
39 immediate family of a State officer or employee, or of a person,
40 may hold employment with the holder of, or applicant for, a license,
41 permit, or other approval to conduct Internet gaming, or any
42 holding or intermediary company with respect thereto, or any
43 Internet gaming affiliate of any holder of, or applicant for, a casino
44 license, or any holding or intermediary company with respect
45 thereto if, in the judgment of the State Ethics Commission, the Joint

1 Legislative Committee on Ethical Standards, or the Supreme Court,
2 as appropriate, such employment will not interfere with the
3 responsibilities of the State officer or employee, or person, and will
4 not create a conflict of interest, or reasonable risk of the public
5 perception of a conflict of interest, on the part of the State officer or
6 employee, or person.

7 (3) No State officer or employee, nor any person, nor any
8 member of the immediate family of any State officer or employee,
9 or person, nor any partnership, firm, or corporation with which any
10 such State officer or employee or person is associated or in which
11 he has an interest, nor any partner, officer, director, or employee
12 while he is associated with such partnership, firm, or corporation,
13 shall hold, directly or indirectly, an interest in, or hold employment
14 with, or represent, appear for, or negotiate on behalf of, any holder
15 of, or applicant for, a medical cannabis cultivator, medical cannabis
16 manufacturer, medical cannabis wholesaler, medical cannabis
17 dispensary, or clinical registrant permit issued pursuant to P.L.2009,
18 c.307 (C.24:6I-1 et al.) or in any entity that employs any certified
19 medical cannabis handler to perform transfers or deliveries of
20 medical cannabis, or any holding or intermediary company with
21 respect thereto, in connection with any cause, application, or matter,
22 except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3),
23 and except that (a) a State officer or employee other than a State
24 officer or employee included in the definition of person, and (b) a
25 member of the immediate family of a State officer or employee, or
26 of a person, may hold employment with the holder of, or applicant
27 for, a medical cannabis cultivator, medical cannabis manufacturer,
28 medical cannabis wholesaler, medical cannabis dispensary, or
29 clinical registrant permit or any entity that employs any certified
30 medical cannabis handler to perform transfers or deliveries of
31 medical cannabis if, in the judgment of the State Ethics
32 Commission, the Joint Legislative Committee on Ethical Standards,
33 or the Supreme Court, as appropriate, such employment will not
34 interfere with the responsibilities of the State officer or employee,
35 or person, and will not create a conflict of interest, or reasonable
36 risk of the public perception of a conflict of interest, on the part of
37 the State officer or employee, or person. No special State officer or
38 employee without responsibility for matters affecting medical
39 cannabis activity, excluding those serving in the Departments of
40 Education, Health, and Human Services and the Office of the
41 Secretary of Higher Education, shall hold, directly or indirectly, an
42 interest in, or represent, appear for, or negotiate on behalf of, any
43 holder of, or applicant for, a medical cannabis cultivator, medical
44 cannabis manufacturer, medical cannabis wholesaler, medical
45 cannabis dispensary, or clinical registrant permit or any entity that
46 employs any certified medical cannabis handler to perform transfers

1 or deliveries of medical cannabis, or any holding or intermediary
2 company with respect thereto, in connection with any cause,
3 application, or matter. However, a special State officer or employee
4 without responsibility for matters affecting medical cannabis
5 activity may hold employment directly with any holder of or
6 applicant for a medical cannabis cultivator, medical cannabis
7 manufacturer, medical cannabis wholesaler, medical cannabis
8 dispensary, or clinical registrant permit, or any entity that employs
9 any certified medical cannabis handler to perform transfers or
10 deliveries of medical cannabis, or any holding or intermediary
11 company thereof, and if so employed may hold, directly or
12 indirectly, an interest in, or represent, appear for, or negotiate on
13 behalf of, that employer, except as otherwise prohibited by law.

14 c. (1) No person or any member of his immediate family, nor
15 any partnership, firm, or corporation with which such person is
16 associated or in which he has an interest, nor any partner, officer,
17 director, or employee while he is associated with such partnership,
18 firm or corporation, shall, within two years next subsequent to the
19 termination of the office or employment of such person, hold,
20 directly or indirectly, an interest in, or hold employment with, or
21 represent, appear for, or negotiate on behalf of, any holder of, or
22 applicant for, a casino license in connection with any cause,
23 application or matter, or any holding or intermediary company with
24 respect to such holder of, or applicant for, a casino license in
25 connection with any phase of casino development, permitting,
26 licensure, or any other matter whatsoever related to casino activity,
27 except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3),
28 and except that:

29 **[(1)]** (a) a member of the immediate family of a person may
30 hold employment with the holder of, or applicant for, a casino
31 license if, in the judgment of the State Ethics Commission, the Joint
32 Legislative Committee on Ethical Standards, or the Supreme Court,
33 as appropriate, such employment will not interfere with the
34 responsibilities of the person and will not create a conflict of
35 interest, or reasonable risk of the public perception of a conflict of
36 interest, on the part of the person;

37 **[(2)]** (b) an employee who is terminated as a result of a
38 reduction in the workforce at the agency where employed, other
39 than an employee who held a policy-making management position
40 at any time during the five years prior to termination of
41 employment, may, at any time prior to the end of the two-year
42 period, accept employment with the holder of, or applicant for, a
43 casino license if, in the judgment of the State Ethics Commission,
44 the Joint Legislative Committee on Ethical Standards, or the
45 Supreme Court, as appropriate, such employment will not create a

1 conflict of interest, or reasonable risk of the public perception of a
2 conflict of interest, on the part of the employee. In no case shall the
3 restrictions of this subsection apply to a secretarial or clerical
4 employee.

5 Nothing herein contained shall alter or amend the post-
6 employment restrictions applicable to members and employees of
7 the Casino Control Commission and employees and agents of the
8 Division of Gaming Enforcement pursuant to paragraph (2) of
9 subsection e. **[(2)]** of section 59 and to section 60 of P.L.1977,
10 c.110 (C.5:12-59 and C.5:12-60); and

11 **[(3)] (c)** any partnership, firm, or corporation engaged in the
12 practice of law or in providing any other professional services with
13 which any person included in subparagraphs (a) and (b) of
14 paragraph (1) of subsection a. of this section, or a member of the
15 immediate family of that person, is associated, and any partner,
16 officer, director, or employee thereof, other than that person, or
17 immediate family member, may represent, appear for or negotiate
18 on behalf of any holder of, or applicant for, a casino license in
19 connection with any cause, application or matter or any holding
20 company or intermediary company with respect to such holder of,
21 or applicant for, a casino license in connection with any phase of
22 casino development, permitting, licensure or any other matter
23 whatsoever related to casino activity, and that person or immediate
24 family member shall not be barred from association with such
25 partnership, firm or corporation, if for a period of two years next
26 subsequent to the termination of the person's office or employment,
27 the person or immediate family member **[(a)] (i)** is screened from
28 personal participation in any such representation, appearance or
29 negotiation; and **[(b)] (ii)** is associated with the partnership, firm or
30 corporation in a position which does not entail any equity interest in
31 the partnership, firm or corporation. The exception provided in this
32 paragraph shall not apply to a former Governor, Lieutenant
33 Governor, Attorney General, member of the Legislature, person
34 included in subparagraph (a) of paragraph (2) of subsection a. of
35 this section, or to the members of their immediate families.

36 (2) No person or any member of the person's immediate family,
37 nor any partnership, firm, or corporation with which such person is
38 associated or in which the person has an interest, nor any partner,
39 officer, director, or employee while the person is associated with
40 such partnership, firm, or corporation, shall, within two years next
41 subsequent to the termination of the office or employment of such
42 person, hold, directly or indirectly, an interest in, or hold
43 employment with, or represent, appear for, or negotiate on behalf
44 of, any holder of, or applicant for, a medical cannabis cultivator,
45 medical cannabis manufacturer, medical cannabis wholesaler,

1 medical cannabis dispensary, or clinical registrant permit issued
2 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) or in any entity that
3 employs any certified medical cannabis handler to perform transfers
4 or deliveries of medical cannabis, or any holding or intermediary
5 company with respect thereto, in connection with any cause,
6 application, or matter, or any holding or intermediary company with
7 respect to such holder of, or applicant for, a medical cannabis
8 cultivator, medical cannabis manufacturer, medical cannabis
9 wholesaler, medical cannabis dispensary, or clinical registrant
10 permit or entity that employs any certified medical cannabis handler
11 to perform transfers or deliveries of medical cannabis in connection
12 with any phase of development, permitting, licensure, or any other
13 matter whatsoever related to medical cannabis activity, except as
14 provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except
15 that:

16 (a) a member of the immediate family of a person may hold
17 employment with the holder of, or applicant for, a medical cannabis
18 cultivator, medical cannabis manufacturer, medical cannabis
19 wholesaler, medical cannabis dispensary, or clinical registrant
20 permit issued pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) or any
21 entity that employs any certified medical cannabis handler to
22 perform transfers or deliveries of medical cannabis if, in the
23 judgment of the State Ethics Commission, the Joint Legislative
24 Committee on Ethical Standards, or the Supreme Court, as
25 appropriate, such employment will not interfere with the
26 responsibilities of the person and will not create a conflict of
27 interest, or reasonable risk of the public perception of a conflict of
28 interest, on the part of the person;

29 (b) an employee who is terminated as a result of a reduction in
30 the workforce at the agency where employed, other than an
31 employee who held a policy-making management position at any
32 time during the five years prior to termination of employment, may,
33 at any time prior to the end of the two-year period, accept
34 employment with the holder of, or applicant for, a medical cannabis
35 wholesaler, medical cannabis manufacturer, medical cannabis
36 wholesaler, medical cannabis dispensary, or clinical registrant
37 permit or any entity that employs any certified medical cannabis
38 handler to perform transfers or deliveries of medical cannabis if, in
39 the judgment of the State Ethics Commission, the Joint Legislative
40 Committee on Ethical Standards, or the Supreme Court, as
41 appropriate, such employment will not create a conflict of interest,
42 or reasonable risk of the public perception of a conflict of interest,
43 on the part of the employee. In no case shall the restrictions of this
44 subsection apply to a secretarial or clerical employee. Nothing
45 herein contained shall alter or amend the post-service or post-
46 employment restrictions applicable to members and employees of

1 the Cannabis Regulatory Commission pursuant to paragraph (2) of
2 subsection c. of section 34 and section 35 of
3 P.L. , c. (C.) (pending before the Legislature as this bill);
4 and
5 (c) any partnership, firm, or corporation engaged in the practice
6 of law or in providing any other professional services with which
7 any person included in subparagraphs (a) and (c) of paragraph (1) of
8 subsection a. of this section, or a member of the immediate family
9 of that person, is associated, and any partner, officer, director, or
10 employee thereof, other than that person, or immediate family
11 member, may represent, appear for, or negotiate on behalf of any
12 holder of, or applicant for, a medical cannabis cultivator, medical
13 cannabis manufacturer, medical cannabis wholesaler, medical
14 cannabis dispensary, or clinical registrant permit or any entity that
15 employs any certified medical cannabis handler to perform transfers
16 or deliveries of medical cannabis in connection with any cause,
17 application, or matter or any holding company or intermediary
18 company with respect to such holder of, or applicant for, a medical
19 cannabis cultivator, medical cannabis manufacturer, medical
20 cannabis wholesaler, medical cannabis dispensary, or clinical
21 registrant permit or entity that employs any certified medical
22 cannabis handler to perform transfers or deliveries of medical
23 cannabis, in connection with any phase of development, permitting,
24 or any other matter whatsoever related to medical cannabis activity,
25 and that person or immediate family member shall not be barred
26 from association with such partnership, firm, or corporation, if for a
27 period of two years next subsequent to the termination of the
28 person's office or employment, the person or immediate family
29 member (i) is screened from personal participation in any such
30 representation, appearance or negotiation; and (ii) is associated with
31 the partnership, firm, or corporation in a position which does not
32 entail any equity interest in the partnership, firm, or corporation.
33 The exception provided in this paragraph shall not apply to a former
34 Governor, Lieutenant Governor, Attorney General, the President of
35 the Senate, the Speaker of the General Assembly, to a person
36 included in subparagraph (b) of paragraph (2) of subsection a. of
37 this section, or to the members of their immediate families.
38 d. This section shall not apply to the spouse of a State officer
39 or employee, which State officer or employee is without
40 responsibility for matters affecting casino or medical cannabis
41 activity, who becomes the spouse subsequent to the State officer's
42 or employee's appointment or employment as a State officer or
43 employee and who is not individually or directly employed by a
44 holder of, or applicant for, a casino license [,] or medical cannabis
45 permit, or any holding or intermediary company thereof.

1 e. The Joint Legislative Committee on Ethical Standards and
2 the State Ethics Commission, as appropriate, shall forthwith
3 determine and publish, and periodically update, a list of those
4 positions in State government with responsibility for matters
5 affecting casino and medical cannabis activity.

6 f. (1) No person shall solicit or accept, directly or indirectly,
7 any complimentary service or discount from any casino applicant or
8 licensee which he knows or has reason to know is other than a
9 service or discount that is offered to members of the general public
10 in like circumstance.

11 (2) No person shall solicit or accept, directly or indirectly, any
12 complimentary service or discount from any holder of, or applicant
13 for, a medical cannabis cultivator, medical cannabis manufacturer,
14 medical cannabis wholesaler, medical cannabis dispensary, or
15 clinical registrant permit issued pursuant to P.L.2009, c.307
16 (C.24:6I-1 et al.) or any entity that employs any certified medical
17 cannabis handler to perform transfers or deliveries of medical
18 cannabis, which the person knows or has reason to know is other
19 than a service or discount that is offered to members of the general
20 public in like circumstance.

21 g. (1) No person shall influence, or attempt to influence, by
22 use of his official authority, the decision of the **[commission]**
23 Casino Control Commission or the investigation of the **[division]**
24 Division of Gaming Enforcement in any application for casino
25 licensure or in any proceeding to enforce the provisions of this act
26 or the regulations of the commission. Any such attempt shall be
27 promptly reported to the Attorney General; provided, however, that
28 nothing in this section shall be deemed to proscribe a request for
29 information by any person concerning the status of any application
30 for licensure or any proceeding to enforce the provisions of this act
31 or the regulations of the commission.

32 (2) No person shall influence, or attempt to influence, by use of
33 the person's official authority, the decision of the Cannabis
34 Regulatory Commission in any application for a medical cannabis
35 cultivator, medical cannabis manufacturer, medical cannabis
36 wholesaler, medical cannabis dispensary, or clinical registrant
37 permit, or in any proceeding to enforce the provisions of P.L.1981,
38 c.142 (C.52:13D-17.2 et al.), P.L.2009, c.307 (C.24:6I-1 et al.), or
39 the regulations of the Cannabis Regulatory Commission. Any such
40 attempt shall be promptly reported to the Attorney General;
41 provided, however, that nothing in this section shall be deemed to
42 proscribe a request for information by any person concerning the
43 status of any permit application, or any proceeding to enforce the
44 provisions of P.L.1981, c.142 (C.52:13D-17.2 et al.), P.L.2009,

1 c.307 (C.24:6I-1 et al.), or the regulations of the Cannabis
2 Regulatory Commission.

3 h. Any person who willfully violates the provisions of this
4 section is a disorderly person and shall be subject to a fine not to
5 exceed \$1,000, or imprisonment not to exceed six months, or both.

6 In addition, for violations of subsection c. of this section
7 occurring after the effective date of P.L.2005, c.382, a civil penalty
8 of not less than \$500 nor more than \$10,000 shall be imposed upon
9 a former State officer or employee or former special State officer or
10 employee of a State agency in the Executive Branch upon a finding
11 of a violation by the State Ethics Commission, which penalty may
12 be collected in a summary proceeding pursuant to the "Penalty
13 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
14 (cf: P.L.2013, c.27, s.35)¹

1 ¹**[29.]** 39.¹ (New section) If any provision of
 2 P.L.2009, c.307 (C.24:6I-1 et al.) ¹**[,]** or¹ P.L.2015, c.158
 3 (C.18A:40-12.22 et al.) ¹**[, or P.L. , c. (C.) (pending before**
 4 **the Legislature as this bill)]**¹ or its application to any person or
 5 circumstance is held invalid, the invalidity does not affect other
 6 provisions or applications of P.L.2009, c.307 (C.24:6I-1 et al.) ¹**[,]**
 7 or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**[, and P.L. , c.**
 8 **(C.) (pending before the Legislature as this bill)]**¹ which can
 9 be given effect without the invalid provision or application, and to
 10 this end the provisions of P.L.2009, c.307 (C.24:6I-1 et al.) ¹**[,]**
 11 and¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**[, and P.L. , c.**
 12 **(C.) (pending before the Legislature as this bill)]**¹ are
 13 severable.
 14

15 ¹**[30.]** 40.¹ N.J.S.2C:35-18 is amended to read as follows:
 16 2C:35-18. Exemption; Burden of Proof. a. If conduct is
 17 authorized by the provisions of P.L.1970, c.226 (C.24:21-1 et seq.),
 18 P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** ¹or¹ P.L.2015, c.158
 19 (C.18A:40-12.22 et al.), ¹**[or P.L. , c. (C.) (pending before**
 20 **the Legislature as this bill),]**¹ that authorization shall, subject to the
 21 provisions of this section, constitute an exemption from criminal
 22 liability under this chapter or chapter 36, and the absence of such
 23 authorization shall not be construed to be an element of any offense
 24 in this chapter or chapter 36. It is an affirmative defense to any
 25 criminal action arising under this chapter or chapter 36 that the
 26 defendant is the authorized holder of an appropriate registration,
 27 permit, or order form or is otherwise exempted or excepted from
 28 criminal liability by virtue of any provision of P.L.1970, c.226
 29 (C.24:21-1 et seq.), P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** ¹or¹
 30 P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**[, or P.L. , c. (C.)**
 31 **(pending before the Legislature as this bill)]**¹ . The affirmative
 32 defense established herein shall be proved by the defendant by a
 33 preponderance of the evidence. It shall not be necessary for the
 34 State to negate any exemption set forth in this act or in any
 35 provision of Title 24 of the Revised Statutes in any complaint,
 36 information, indictment, or other pleading or in any trial, hearing,
 37 or other proceeding under this act.
 38 b. No liability shall be imposed by virtue of this chapter or
 39 chapter 36 upon any duly authorized State officer, engaged in the
 40 enforcement of any law or municipal ordinance relating to
 41 controlled dangerous substances or controlled substance analogs.
 42 (cf: P.L.2015, c.158, s.3)
 43

1 ¹**[31.] 41.**¹ Section 1 of P.L.2015, c.158 (C.18A:40-12.22) is
2 amended to read as follows:

3 1. a. A board of education or chief school administrator of a
4 nonpublic school shall develop a policy authorizing parents,
5 guardians, and **[primary] designated** caregivers to administer
6 medical **[marijuana] cannabis** to a student while the student is on
7 school grounds, aboard a school bus, or attending a school-
8 sponsored event.

9 b. A policy adopted pursuant to subsection a. of this section
10 shall, at a minimum:

11 (1) require that the student be authorized to engage in the
12 medical use of **[marijuana] cannabis** pursuant to P.L.2009, c.307
13 (C.24:6I-1 et al.) and that the parent, guardian, or **[primary]**
14 **designated** caregiver be authorized to assist the student with the
15 medical use of **[marijuana] cannabis** pursuant to P.L.2009, c.307
16 (C.24:6I-1 et al.);

17 (2) establish protocols for verifying the registration status and
18 ongoing authorization pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
19 concerning the medical use of **[marijuana] cannabis** for the student
20 and the parent, guardian, or **[primary] designated** caregiver;

21 (3) expressly authorize parents, guardians, and **[primary]**
22 **designated** caregivers of students who have been authorized for the
23 medical use of **[marijuana] cannabis** to administer medical
24 **[marijuana] cannabis** to the student while the student is on school
25 grounds, aboard a school bus, or attending a school-sponsored
26 event;

27 (4) identify locations on school grounds where medical
28 **[marijuana] cannabis** may be administered; and

29 (5) prohibit the administration of medical **[marijuana] cannabis**
30 to a student by smoking or other form of inhalation while the
31 student is on school grounds, aboard a school bus, or attending a
32 school-sponsored event.

33 c. Medical **[marijuana] cannabis** may be administered to a
34 student while the student is on school grounds, aboard a school bus,
35 or attending school-sponsored events, provided that such
36 administration is consistent with the requirements of the policy
37 adopted pursuant to this section.

38 (cf: P.L.2015, c.158, s.1)

39

40 ¹**[32.] 42.**¹ Section 2 of P.L.2015, c.158 (C.30:6D-5b) is
41 amended to read as follows:

42 2. a. The chief administrator of a facility that offers services
43 for persons with developmental disabilities shall develop a policy
44 authorizing a parent, guardian, or **[primary] designated** caregiver

1 authorized to assist a qualifying patient with the use of medical
2 **【marijuana】** cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
3 to administer medical **【marijuana】** cannabis to a person who is
4 receiving services for persons with developmental disabilities at the
5 facility.

6 b. A policy adopted pursuant to subsection a. of this section
7 shall, at a minimum:

8 (1) require the person receiving services for persons with
9 developmental disabilities be a qualifying patient authorized for the
10 use of medical **【marijuana】** cannabis pursuant to P.L.2009, c.307
11 (C.24:6I-1 et al.), and that the parent, guardian, or **【primary】**
12 designated caregiver be authorized to assist the person with the
13 medical use of **【marijuana】** cannabis pursuant to P.L.2009, c.307
14 (C.24:6I-1 et al.);

15 (2) establish protocols for verifying the registration status and
16 ongoing authorization pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
17 concerning the medical use of **【marijuana】** cannabis for the person
18 and the parent, guardian, or **【primary】** designated caregiver;

19 (3) expressly authorize parents, guardians, and **【primary】**
20 designated caregivers to administer medical **【marijuana】** cannabis
21 to the person receiving services for persons with developmental
22 disabilities while the person is at the facility; and

23 (4) identify locations at the facility where medical **【marijuana】**
24 cannabis may be administered.

25 c. Medical **【marijuana】** cannabis may be administered to a
26 person receiving services for persons with developmental
27 disabilities at a facility that offers such services while the person is
28 at the facility, provided that such administration is consistent with
29 the requirements of the policy adopted pursuant to this section and
30 the provisions of P.L.2009, c.307 (C.24:6I-1 et al.).

31 d. Nothing in this section shall be construed to authorize
32 medical **【marijuana】** cannabis to be smoked in any place where
33 smoking is prohibited pursuant to N.J.S.2C:33-13.

34 (cf: P.L.2015, c.158, s.2)

35

36 ¹**【33.】** 43.¹ (New section) a. The chief administrator of a
37 facility that offers behavioral health care services shall develop a
38 policy authorizing a parent, guardian, or designated caregiver
39 authorized to assist a qualifying patient with the use of medical
40 cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) to administer
41 medical cannabis to a person who is receiving behavioral health
42 care services at the facility.

43 b. A policy adopted pursuant to subsection a. of this section
44 shall, at a minimum:

1 (1) require the person receiving behavioral health care services
2 be a qualifying patient authorized for the use of medical cannabis
3 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), and that the parent,
4 guardian, or designated caregiver be authorized to assist the person
5 with the medical use of cannabis pursuant to P.L.2009, c.307
6 (C.24:6I-1 et al.);

7 (2) establish protocols for verifying the registration status and
8 ongoing authorization pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
9 concerning the medical use of cannabis for the person and the
10 parent, guardian, or designated caregiver;

11 (3) expressly authorize parents, guardians, and designated
12 caregivers to administer medical cannabis to the person receiving
13 behavioral health care services while the person is at the facility;
14 and

15 (4) identify locations at the facility where medical cannabis may
16 be administered.

17 c. Medical cannabis may be administered to a person receiving
18 behavioral health care services at a facility that offers such services
19 while the person is at the facility, provided that such administration
20 is consistent with the requirements of the policy adopted pursuant to
21 this section and the provisions of P.L.2009, c.307 (C.24:6I-1 et al.).

22 d. Nothing in this section shall be construed to authorize
23 medical cannabis to be smoked in any place where smoking is
24 prohibited pursuant to N.J.S.2C:33-13.

25 e. As used in this section, "behavioral health care services"
26 means procedures or services provided by a health care practitioner
27 to a patient for the treatment of a mental illness or emotional
28 disorder that is of mild to moderate severity. "Behavioral health
29 care" and "behavioral health care services" shall not include
30 procedures or services that are provided for the treatment of severe
31 mental illness, severe emotional disorder, or any drug or alcohol use
32 disorder.

33

34 ¹[34.] 44.¹ Section 11 of P.L.2009, c.307 (C.45:1-45.1) is
35 amended to read as follows:

36 11. a. A **physician** health care practitioner who **provides a**
37 **certification** authorizes a patient for the medical use of cannabis or
38 who provides a written instruction for the medical use of
39 **marijuana** cannabis to a qualifying patient pursuant to P.L.2009,
40 c.307 (C.24:6I-1 et al.) and **any alternative treatment center** each
41 medical cannabis dispensary and clinical registrant shall furnish to
42 the Director of the Division of Consumer Affairs in the Department
43 of Law and Public Safety such information, on a daily basis and in
44 such a format **and at such intervals,** as the director shall prescribe
45 by regulation, for inclusion in a system established to monitor the

1 dispensation of **【marijuana】** cannabis in this State for medical use
2 as authorized by the provisions of P.L.2009, c.307 (C.24:6I-
3 1 et al.), which system shall serve the same purpose as, and be
4 cross-referenced with, the electronic system for monitoring
5 controlled dangerous substances established pursuant to section 25
6 of P.L.2007, c.244 (C.45:1-45).

7 b. The Director of the Division of Consumer Affairs, pursuant
8 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
9 1 et seq.), and in consultation with the **【Commissioner of Health**
10 **and Senior Services】** ¹**【Executive Director of the】**¹ Cannabis
11 Regulatory Commission, shall adopt rules and regulations to
12 effectuate the purposes of subsection a. of this section.

13 c. Notwithstanding any provision of P.L.1968, c.410
14 (C.52:14B-1 et seq.) to the contrary, the Director of the Division of
15 Consumer Affairs shall adopt, immediately upon filing with the
16 Office of Administrative Law and no later than the 90th day after
17 the effective date of P.L.2009, c.307 (C.24:6I-1 et al.), such
18 regulations as the director deems necessary to implement the
19 provisions of subsection a. of this section. Regulations adopted
20 pursuant to this subsection shall be effective until the adoption of
21 rules and regulations pursuant to subsection b. of this section and
22 may be amended, adopted, or readopted by the director in
23 accordance with the requirements of P.L.1968, c.410 (C.52:14B-
24 1 et seq.).

25 (cf: P.L.2009, c.307, s.11)

26

27 ¹**【35.】** 45.¹ Section 7 of P.L.1991, c.378 (C.45:9-27.16) is
28 amended to read as follows:

29 7. a. A physician assistant may perform the following
30 procedures:

31 (1) Approaching a patient to elicit a detailed and accurate
32 history, perform an appropriate physical examination, identify
33 problems, record information, and interpret and present information
34 to the supervising physician;

35 (2) Suturing and caring for wounds including removing sutures
36 and clips and changing dressings, except for facial wounds,
37 traumatic wounds requiring suturing in layers, and infected wounds;

38 (3) Providing patient counseling services and patient education
39 consistent with directions of the supervising physician;

40 (4) Assisting a physician in an inpatient setting by conducting
41 patient rounds, recording patient progress notes, determining and
42 implementing therapeutic plans jointly with the supervising
43 physician, and compiling and recording pertinent narrative case
44 summaries;

- 1 (5) Assisting a physician in the delivery of services to patients
2 requiring continuing care in a private home, nursing home,
3 extended care facility, or other setting, including the review and
4 monitoring of treatment and therapy plans; and
- 5 (6) Referring patients to, and promoting their awareness of,
6 health care facilities and other appropriate agencies and resources in
7 the community.
- 8 (7) (Deleted by amendment, P.L.2015, c.224)
- 9 b. A physician assistant may perform the following procedures
10 only when directed, ordered, or prescribed by the supervising
11 physician, or when performance of the procedure is delegated to the
12 physician assistant by the supervising physician as authorized under
13 subsection d. of this section:
- 14 (1) Performing non-invasive laboratory procedures and related
15 studies or assisting duly licensed personnel in the performance of
16 invasive laboratory procedures and related studies;
- 17 (2) Giving injections, administering medications, and requesting
18 diagnostic studies;
- 19 (3) Suturing and caring for facial wounds, traumatic wounds
20 requiring suturing in layers, and infected wounds;
- 21 (4) Writing prescriptions or ordering medications in an inpatient
22 or outpatient setting in accordance with section 10 of P.L.1991,
23 c.378 (C.45:9-27.19); **[and]**
- 24 (5) Prescribing the use of patient restraints; and
- 25 (6) Authorizing qualifying patients for the medical use of
26 cannabis and issuing written instructions for medical cannabis to
27 registered qualifying patients pursuant to P.L.2009, c.307 (C.24:6I-
28 1 et al.).
- 29 c. A physician assistant may assist a supervising surgeon in the
30 operating room when a qualified assistant physician is not required
31 by the board and a second assistant is deemed necessary by the
32 supervising surgeon.
- 33 d. A physician assistant may perform medical services beyond
34 those explicitly authorized in this section, when such services are
35 delegated by a supervising physician with whom the physician
36 assistant has signed a delegation agreement pursuant to section 8 of
37 P.L.1991, c.378 (C.45:9-27.17). The procedures delegated to a
38 physician assistant shall be limited to those customary to the
39 supervising physician's specialty and within the supervising
40 physician's and the physician assistant's competence and training.
- 41 e. Notwithstanding subsection d. of this section, a physician
42 assistant shall not be authorized to measure the powers or range of
43 human vision, determine the accommodation and refractive states of
44 the human eye, or fit, prescribe, or adapt lenses, prisms, or frames
45 for the aid thereof. Nothing in this subsection shall be construed to

1 prohibit a physician assistant from performing a routine visual
2 screening.

3 (cf: P.L.2015, c.224, s.7)

4

5 ¹**[36.]** 46.¹ Section 10 of P.L.1991, c.378 (C.45:9-27.19) is
6 amended to read as follows:

7 10. A physician assistant may order, prescribe, dispense, and
8 administer medications and medical devices and issue written
9 instructions to registered qualifying patients for medical cannabis to
10 the extent delegated by a supervising physician.

11 a. Controlled dangerous substances may only be ordered or
12 prescribed if:

13 (1) a supervising physician has authorized a physician assistant
14 to order or prescribe Schedule II, III, IV, or V controlled dangerous
15 substances in order to:

16 (a) continue or reissue an order or prescription for a controlled
17 dangerous substance issued by the supervising physician;

18 (b) otherwise adjust the dosage of an order or prescription for a
19 controlled dangerous substance originally ordered or prescribed by
20 the supervising physician, provided there is prior consultation with
21 the supervising physician;

22 (c) initiate an order or prescription for a controlled dangerous
23 substance for a patient, provided there is prior consultation with the
24 supervising physician if the order or prescription is not pursuant to
25 subparagraph (d) of this paragraph; or

26 (d) initiate an order or prescription for a controlled dangerous
27 substance as part of a treatment plan for a patient with a terminal
28 illness, which for the purposes of this subparagraph means a
29 medical condition that results in a patient's life expectancy being 12
30 months or less as determined by the supervising physician;

31 (2) the physician assistant has registered with, and obtained
32 authorization to order or prescribe controlled dangerous substances
33 from, the federal Drug Enforcement Administration and any other
34 appropriate State and federal agencies; and

35 (3) the physician assistant complies with all requirements which
36 the board shall establish by regulation for the ordering, prescription,
37 or administration of controlled dangerous substances, all applicable
38 educational program requirements, and continuing professional
39 education programs approved pursuant to section 16 of P.L.1991,
40 c.378 (C.45:9-27.25).

41 b. (Deleted by amendment, P.L.2015, c.224)

42 c. (Deleted by amendment, P.L.2015, c.224)

43 d. In the case of an order or prescription for a controlled
44 dangerous substance or written instructions for medical cannabis,
45 the physician assistant shall print on the order or prescription or the

1 written instructions the physician assistant's Drug Enforcement
2 Administration registration number.

3 e. The dispensing of medication or a medical device by a
4 physician assistant shall comply with relevant federal and State
5 regulations, and shall occur only if: (1) pharmacy services are not
6 reasonably available; (2) it is in the best interest of the patient; or
7 (3) the physician assistant is rendering emergency medical
8 assistance.

9 f. A physician assistant may request, receive, and sign for
10 prescription drug samples and may distribute those samples to
11 patients.

12 g. A physician assistant may issue written instructions to a
13 registered qualifying patient for medical cannabis pursuant to
14 section 10 of P.L.2009, c.307 (C.24:6I-10) only if:

15 (1) a supervising physician has authorized the physician
16 assistant to issue written instructions to registered qualifying
17 patients;

18 (2) the physician assistant verifies the patient's status as a
19 registered qualifying patient; and

20 (3) the physician assistant complies with the requirements for
21 issuing written instructions for medical cannabis established
22 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) ¹[and
23 P.L. , c. (C.) (pending before the Legislature as this bill)]¹.
24 (cf: P.L.2015, c.224, s.7)

25
26 ¹[37.] 47.¹ Section 10 of P.L.1991, c.377 (C.45:11-49) is
27 amended to read as follows:

28 10. a. In addition to all other tasks which a registered
29 professional nurse may, by law, perform, an advanced practice
30 nurse may manage preventive care services and diagnose and
31 manage deviations from wellness and long-term illnesses, consistent
32 with the needs of the patient and within the scope of practice of the
33 advanced practice nurse, by:

34 (1) initiating laboratory and other diagnostic tests;

35 (2) prescribing or ordering medications and devices, as
36 authorized by subsections b. and c. of this section; and

37 (3) prescribing or ordering treatments, including referrals to
38 other licensed health care professionals, and performing specific
39 procedures in accordance with the provisions of this subsection.

40 b. An advanced practice nurse may order medications and
41 devices in the inpatient setting, subject to the following conditions:

42 (1) the collaborating physician and advanced practice nurse
43 shall address in the joint protocols whether prior consultation with
44 the collaborating physician is required to initiate an order for a
45 controlled dangerous substance;

1 (2) the order is written in accordance with standing orders or
2 joint protocols developed in agreement between a collaborating
3 physician and the advanced practice nurse, or pursuant to the
4 specific direction of a physician;

5 (3) the advanced practice nurse authorizes the order by signing
6 the nurse's own name, printing the name and certification number,
7 and printing the collaborating physician's name;

8 (4) the physician is present or readily available through
9 electronic communications;

10 (5) the charts and records of the patients treated by the advanced
11 practice nurse are reviewed by the collaborating physician and the
12 advanced practice nurse within the period of time specified by rule
13 adopted by the Commissioner of Health pursuant to section 13 of
14 P.L.1991, c.377 (C.45:11-52);

15 (6) the joint protocols developed by the collaborating physician
16 and the advanced practice nurse are reviewed, updated, and signed
17 at least annually by both parties; and

18 (7) the advanced practice nurse has completed six contact hours
19 of continuing professional education in pharmacology related to
20 controlled substances, including pharmacologic therapy, addiction
21 prevention and management, and issues concerning prescription
22 opioid drugs, including responsible prescribing practices,
23 alternatives to opioids for managing and treating pain, and the risks
24 and signs of opioid abuse, addiction, and diversion, in accordance
25 with regulations adopted by the New Jersey Board of Nursing. The
26 six contact hours shall be in addition to New Jersey Board of
27 Nursing pharmacology education requirements for advanced
28 practice nurses related to initial certification and recertification of
29 an advanced practice nurse as set forth in N.J.A.C.13:37-7.2.

30 c. An advanced practice nurse may prescribe medications and
31 devices in all other medically appropriate settings, subject to the
32 following conditions:

33 (1) the collaborating physician and advanced practice nurse
34 shall address in the joint protocols whether prior consultation with
35 the collaborating physician is required to initiate a prescription for a
36 controlled dangerous substance;

37 (2) the prescription is written in accordance with standing orders
38 or joint protocols developed in agreement between a collaborating
39 physician and the advanced practice nurse, or pursuant to the
40 specific direction of a physician;

41 (3) the advanced practice nurse writes the prescription on a New
42 Jersey Prescription Blank pursuant to P.L.2003, c.280 (C.45:14-
43 40 et seq.), signs the nurse's own name to the prescription and prints
44 the nurse's name and certification number;

- 1 (4) the prescription is dated and includes the name of the patient
2 and the name, address, and telephone number of the collaborating
3 physician;
- 4 (5) the physician is present or readily available through
5 electronic communications;
- 6 (6) the charts and records of the patients treated by the advanced
7 practice nurse are periodically reviewed by the collaborating
8 physician and the advanced practice nurse;
- 9 (7) the joint protocols developed by the collaborating physician
10 and the advanced practice nurse are reviewed, updated, and signed
11 at least annually by both parties; and
- 12 (8) the advanced practice nurse has completed six contact hours
13 of continuing professional education in pharmacology related to
14 controlled substances, including pharmacologic therapy, addiction
15 prevention and management, and issues concerning prescription
16 opioid drugs, including responsible prescribing practices,
17 alternatives to opioids for managing and treating pain, and the risks
18 and signs of opioid abuse, addiction, and diversion, in accordance
19 with regulations adopted by the New Jersey Board of Nursing. The
20 six contact hours shall be in addition to New Jersey Board of
21 Nursing pharmacology education requirements for advanced
22 practice nurses related to initial certification and recertification of
23 an advanced practice nurse as set forth in N.J.A.C.13:37-7.2.
- 24 d. The joint protocols employed pursuant to subsections b. and
25 c. of this section shall conform with standards adopted by the
26 Director of the Division of Consumer Affairs pursuant to section 12
27 of P.L.1991, c.377 (C.45:11-51) or section 10 of P.L.1999, c.85
28 (C.45:11-49.2), as applicable.
- 29 e. (Deleted by amendment, P.L.2004, c.122.)
- 30 f. An attending advanced practice nurse may determine and
31 certify the cause of death of the nurse's patient and execute the
32 death certification pursuant to R.S.26:6-8 if no collaborating
33 physician is available to do so and the nurse is the patient's primary
34 caregiver.
- 35 g. An advanced practice nurse may authorize qualifying
36 patients for the medical use of cannabis and issue written
37 instructions for medical cannabis to registered qualifying patients,
38 subject to the following conditions:
- 39 (1) the collaborating physician and advanced practice nurse
40 shall address in the joint protocols whether prior consultation with
41 the collaborating physician is required to authorize a qualifying
42 patient for the medical use of cannabis or issue written instructions
43 for medical cannabis;
- 44 (2) the authorization for the medical use of cannabis or issuance
45 of written instructions for cannabis is in accordance with standing
46 orders or joint protocols developed in agreement between a

1 collaborating physician and the advanced practice nurse, or
2 pursuant to the specific direction of a physician;

3 (3) the advanced practice nurse signs the nurse's own name to
4 the authorization or written instruction and prints the nurse's name
5 and certification number;

6 (4) the authorization or written instruction is dated and includes
7 the name of the qualifying patient and the name, address, and
8 telephone number of the collaborating physician;

9 (5) the physician is present or readily available through
10 electronic communications;

11 (6) the charts and records of qualifying patients treated by the
12 advanced practice nurse are periodically reviewed by the
13 collaborating physician and the advanced practice nurse;

14 (7) the joint protocols developed by the collaborating physician
15 and the advanced practice nurse are reviewed, updated, and signed
16 at least annually by both parties; and

17 (8) the advanced practice nurse complies with the requirements
18 for authorizing qualifying patients for the medical use of cannabis
19 and for issuing written instructions for medical cannabis established
20 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) ¹[and
21 P.L. , c. (C.) (pending before the Legislature as this bill)]¹.
22 (cf: P.L.2017, c.28, s.15)

23
24 ¹**[38.]** 48.¹ Section 5 of P.L.2009, c.307 (C.24:6I-5) is
25 repealed.

26
27 ¹**[39.]** 49.¹ This act shall take effect immediately.