

[Second 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 amended by the Senate on May 30, 2019.

(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.

²Senate floor amendments adopted May 30, 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

1 this subsection.

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

3

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

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

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

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

40

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

1 receive any form of direct or indirect compensation from, any
2 medical cannabis cultivator, medical cannabis manufacturer,
3 1medical cannabis wholesaler,1 medical cannabis dispensary, or
4 clinical registrant.

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

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

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

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

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

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

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

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

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

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

44 (i) ¹[an] no¹ applicant may concurrently hold ¹[a medical
45 cannabis cultivator permit and a medical cannabis manufacturer

1 permit, but shall not be authorized to hold a medical cannabis
2 dispensary] more than one¹ permit¹ issued by the commission
3 pursuant to this section, regardless of type¹; and

4 (ii) ¹[an applicant who holds a medical cannabis dispensary permit
5 shall not be authorized to concurrently hold a medical cannabis
6 cultivator permit or a medical cannabis manufacturer permit] there
7 shall be no more than 23 active medical cannabis cultivator permits,
8 including medical cannabis cultivator permits deemed to be held by
9 alternative treatment centers issued a permit prior to the effective date
10 of P.L. , c. (C.) (pending before the Legislature as this bill)
11 and medical cannabis cultivator permits deemed to be held by
12 alternative treatment centers issued a permit subsequent to the
13 effective date of P.L. , c. (C.) (pending before the Legislature
14 as this bill) pursuant to an application submitted prior to the effective
15 date of P.L. , c. (C.) (pending before the Legislature as this
16 bill); provided that medical cannabis cultivator permits issued to
17 microbusinesses pursuant to subsection e. of section 11 of P.L. , c.
18 (C.) (pending before the Legislature as this bill) shall not count
19 toward this limit¹.

20 (b) Commencing 18 months after the effective date of P.L. , c.
21 (C.) (pending before the Legislature as this bill), a permit holder
22 shall be authorized to concurrently hold a medical cannabis cultivator
23 permit, a medical cannabis manufacturer permit, and a medical
24 cannabis dispensary permit, provided that no permit holder shall be
25 authorized to concurrently hold more than one permit of each type.
26 The permit holder may submit an application for a permit of any type
27 that the permit holder does not currently hold prior to the expiration of
28 the 18 month period described in subparagraph (a) of this paragraph,
29 provided that no ¹additional¹ permit shall be awarded to the permit
30 holder during the 18 month period ¹[if issuance of the permit would
31 violate the restrictions set forth in subparagraph (a) of this paragraph
32 concerning the types of permits that may be concurrently held during
33 the 18 month period] . In no case shall an entity holding a medical
34 cannabis wholesaler permit be authorized to concurrently hold any
35 medical cannabis cultivator, medical cannabis manufacturer, or
36 medical cannabis dispensary permit, and no entity holding a medical
37 cannabis cultivator, medical cannabis manufacturer, or medical
38 cannabis dispensary permit shall be authorized to concurrently hold a
39 medical cannabis wholesaler permit¹.

40 (c) The provisions of subparagraph (a) of this paragraph shall not
41 apply to any alternative treatment center that was issued a permit prior
42 to the effective date of P.L. , c. (C.) (pending before the
43 Legislature as this bill), to any alternative treatment center that was
44 issued a permit after the effective date of P.L. , c. (C.)
45 (pending before the Legislature as this bill) pursuant to an application

1 submitted prior to the effective date of P.L. , c. (C.) (pending
2 before the Legislature as this bill), or to one of the ¹【six】 seven¹
3 alternative treatment centers issued a permit pursuant to section 11 of
4 P.L. , c. (C.) (pending before the Legislature as this bill) that
5 are expressly exempt from the provisions of ¹subsubparagraph (i) of¹
6 subparagraph (a) of this paragraph, which alternative treatment centers
7 shall be deemed to concurrently hold a medical cannabis cultivator
8 permit, a medical cannabis manufacturer permit, and a medical
9 cannabis dispensary permit, and shall be authorized to engage in any
10 conduct authorized pursuant to those permits in relation to the
11 cultivation, manufacturing, and dispensing of medical cannabis ¹【. In
12 addition, an alternative treatment center that was issued a permit prior
13 to the effective date of P.L. , c. (C.) (pending before the
14 Legislature as this bill), an alternative treatment center that was issued
15 a permit after the effective date of P.L. , c. (C.) (pending
16 before the Legislature as this bill) pursuant to an application submitted
17 prior to the effective date of P.L. , c. (C.) (pending before the
18 Legislature as this bill), and the six alternative treatment center permits
19 issued pursuant to section 11 of P.L. , c. (C.) (pending before
20 the Legislature as this bill) that are expressly exempt from the
21 provisions of subparagraph (a) of this paragraph shall, upon the
22 effective date of P.L. , c. (C.) (pending before the Legislature
23 as Senate Bill No. 2703), be deemed to either hold a Class 3 Cannabis
24 Wholesaler license or concurrently hold a Class 1 Cannabis Grower
25 license, a Class 2 Cannabis Processor license, and a Class 4 Cannabis
26 Retailer license, plus an additional Class 4 Cannabis Retailer license
27 for each satellite dispensary that was approved pursuant to an
28 application submitted prior to or within 18 months after the effective
29 date of P.L. , c. (C.) (pending before the Legislature as this
30 bill), subject to the requirements of subparagraph (d) of this paragraph.
31 In no case may an alternative treatment center holding a Class 3
32 Cannabis Wholesaler license concurrently hold a Class I Cannabis
33 Grower license, Class 2 Cannabis Processor license, or Class 4
34 Cannabis Retailer license; and in no case may an alternative treatment
35 center holding a Class 1 Cannabis Grower license, a Class 2 Cannabis
36 Processor license, a Class 4 Cannabis Retailer license, or any
37 combination thereof, concurrently hold a Class 3 Cannabis Wholesaler
38 license. An alternative treatment center issued an adult use cannabis
39 license pursuant to this subsubparagraph shall be authorized to use the
40 same premises for all activities authorized under P.L.2009, c.307
41 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
42 Legislature as Senate Bill No. 2703) without being required to
43 establish or maintain any physical barriers or separations between
44 operations related to the medical use of cannabis and operations
45 related to adult use cannabis, provided that the alternative treatment

1 center shall be required to certify to the commission that the
2 alternative treatment center has sufficient quantities of medical
3 cannabis and medical cannabis products available to meet the
4 reasonably anticipated treatment needs of registered qualifying
5 patients as a condition of engaging in activities related to the growing,
6 producing, wholesaling, or retail sale of adult use cannabis, as
7 applicable ; provided that such alternative treatment centers shall not
8 be authorized to concurrently hold any medical cannabis wholesaler
9 permit¹ .

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

35 (e) No entity issued a medical cannabis cultivator, medical
36 cannabis manufacturer, ¹medical cannabis wholesaler,¹ or medical
37 cannabis dispensary permit may concurrently hold a clinical registrant
38 permit issued pursuant to section 13 of P.L. , c. (C.) (pending
39 before the legislature as this bill), and no entity issued a clinical
40 registrant permit pursuant to section 13 of P.L. , c. (C.)
41 (pending before the Legislature as this bill) may concurrently hold a
42 medical cannabis cultivator permit, a medical cannabis manufacturer
43 permit, ¹a medical cannabis wholesaler permit,¹ or a medical cannabis
44 dispensary permit.

1 ¹(f) Any medical cannabis dispensary permit holder may be
2 approved by the commission to operate a medical cannabis
3 consumption area, provided that the permit holder otherwise meets the
4 requirements of section 28 of P.L. , c. (C.) (pending before the
5 Legislature as this bill.¹

6 ²(g) An alternative treatment center that was issued a permit prior
7 to the effective date of P.L. , c. (C.) (pending before the
8 Legislature as this bill) or that was issued a permit after the effective
9 date of P.L. , c. (C.) (pending before the Legislature as this
10 bill) pursuant to an application submitted prior to the effective date of
11 P.L. , c. (C.) (pending before the Legislature as this bill), shall
12 be required to submit an attestation signed by a bona fide labor
13 organization stating that the alternative treatment center has entered
14 into a labor peace agreement with such bona fide labor organization no
15 later than 100 days after the effective date of P.L. , c. (C.)
16 (pending before the Legislature as this bill) or no later than 100 days
17 after the date the alternative treatment center first opens, whichever
18 date is later. The maintenance of a labor peace agreement with a bona
19 fide labor organization shall be an ongoing material condition of
20 maintaining the alternative treatment center's permit. The failure to
21 submit an attestation as required pursuant to this subparagraph within
22 100 days after the effective date of P.L. , c. (C.) (pending
23 before the Legislature as this bill) or within 100 days after the
24 alternative treatment center first opens, as applicable, shall result in the
25 suspension or revocation of the alternative treatment center's permit,
26 provided that the commission may grant an extension to this deadline
27 to the alternative treatment center based upon extenuating
28 circumstances or for good cause shown.²

29 (3) The **【department】** commission shall seek to ensure the
30 availability of a sufficient number of **【alternative treatment centers】**
31 medical cannabis cultivators, medical cannabis manufacturers, and
32 medical cannabis dispensaries throughout the State, pursuant to need,
33 including at least two each in the northern, central, and southern
34 regions of the State. **【The first two centers issued a permit in each**
35 **region shall be nonprofit entities, and centers subsequently】** Medical
36 cannabis cultivators, medical cannabis manufacturers, ¹medical
37 cannabis wholesalers,¹ and medical cannabis dispensaries issued
38 permits pursuant to this section may be nonprofit or for-profit entities.

39 **【An alternative treatment center】**

40 (4) The commission shall periodically evaluate whether the
41 number of medical cannabis cultivator, medical cannabis
42 manufacturer, ¹medical cannabis wholesaler,¹ and medical cannabis
43 dispensary permits issued are sufficient to meet the needs of qualifying
44 patients in the State, and shall make requests for applications and issue

1 such additional permits as shall be necessary to meet those needs. The
2 types of permits requested and issued, and the locations of any
3 additional permits that are authorized, shall be in the discretion of the
4 '[executive director] commission'¹ based on the needs of qualifying
5 patients in the State.

6 (5) (a) A medical cannabis cultivator shall be authorized to:
7 acquire a reasonable initial and ongoing inventory, as determined by
8 the [department] commission, of [marijuana] cannabis seeds or
9 seedlings and paraphernalia [.] ; possess, cultivate, plant, grow,
10 harvest, [process, display, manufacture,] and package medical
11 cannabis, including prerolled forms, for any authorized purpose,
12 including, but not limited to, research purposes; and deliver, transfer,
13 transport, distribute, supply, or sell [, or dispense] medical
14 [marijuana] cannabis [, or] and related supplies to any medical
15 cannabis cultivator, medical cannabis manufacturer, ¹medical cannabis
16 wholesaler, ¹ medical cannabis dispensary, or clinical registrant in the
17 State. In no case shall a medical cannabis cultivator ¹[or clinical
18 registrant]¹ operate or be located on land that is valued, assessed or
19 taxed as an agricultural or horticultural use pursuant to the "Farmland
20 Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

21 (b) A medical cannabis manufacturer shall be authorized to:
22 purchase or ¹[obtain] acquire¹ medical cannabis from any medical
23 cannabis cultivator, medical cannabis manufacturer, ¹medical cannabis
24 wholesaler,¹ or clinical registrant in the State; possess and utilize
25 medical cannabis in the manufacture, production, and creation of
26 medical cannabis products; and deliver, transfer, transport, supply, or
27 sell medical cannabis products and related supplies to any medical
28 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
29 cannabis dispensary, or clinical registrant in the State.

30 (c) ¹A medical cannabis wholesaler shall be authorized to:
31 purchase or acquire medical cannabis from a medical cannabis
32 cultivator or clinical registrant for resale to a medical cannabis
33 cultivator, medical cannabis manufacturer, medical cannabis
34 wholesaler, medical cannabis dispensary, or clinical registrant; and to
35 purchase or acquire medical cannabis products from a medical
36 cannabis manufacturer, medical cannabis wholesaler, or clinical
37 registrant for resale to another medical cannabis manufacturer, medical
38 cannabis wholesaler, medical cannabis dispensary, or clinical
39 registrant.

40 (d)¹ A medical cannabis dispensary shall be authorized to:
41 purchase or acquire medical cannabis from any medical cannabis
42 cultivator, ¹medical cannabis wholesaler,¹ medical cannabis
43 dispensary, or clinical registrant in the State and medical cannabis
44 products and related supplies from any medical cannabis

1 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
2 dispensary, or clinical registrant in the State; purchase or acquire
3 paraphernalia from any legal source; and distribute, supply, sell, or
4 dispense medical cannabis, medical cannabis products, paraphernalia,
5 and related supplies to qualifying patients or their **【primary】**
6 designated or institutional caregivers who are registered with the
7 **【department】** commission pursuant to section 4 of **【this act】** P.L.2009,
8 c.307 (C.24:6I-4). **【An alternative treatment center】** ¹A medical
9 cannabis dispensary may furnish medical cannabis, medical cannabis
10 products, paraphernalia, and related supplies to a medical cannabis
11 handler for delivery to a registered qualifying patient, designated
12 caregiver, or institutional caregiver consistent with the requirements of
13 subsection i. of section 27 of P.L. , c. (C.) (pending before the
14 Legislature as this bill).¹

15 (6) A medical cannabis cultivator shall not be limited in the
16 number of strains of medical **【marijuana】** cannabis cultivated, and a
17 medical cannabis manufacturer shall not be limited in the number or
18 type of medical cannabis products manufactured, produced, or created.
19 A medical cannabis manufacturer may package, and a medical
20 cannabis dispensary may directly dispense **【marijuana】** medical
21 cannabis and medical cannabis products to qualifying patients and
22 their designated and institutional caregivers in any authorized form.
23 Authorized forms shall include dried form, oral lozenges, topical
24 formulations, transdermal form, sublingual form, tincture form,
25 edible form, or any other form as authorized by the **【commissioner】**
26 ¹**【executive director】** commission¹. Edible form shall include ¹pills,¹
27 tablets, capsules, drops or syrups, oils, ¹chewable forms,¹ and any
28 other form as authorized by the **【commissioner】** ¹**【executive director】**
29 commission, except that the edible forms made available to minor
30 patients shall be limited to forms that are medically appropriate for
31 children, including pills, tablets, capsules, chewable forms, and drops,
32 oils, syrups, and other liquids¹. **【Edible forms shall be available only**
33 to qualifying patients who are minors.

34 Applicants for authorization as nonprofit alternative treatment
35 centers shall be subject to all applicable State laws governing nonprofit
36 entities, but **【**

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

40 (i) the production date of the medical cannabis or medical
41 cannabis product;

42 (ii) the strain or type of medical cannabis contained in the package
43 or used to manufacture, produce, or create the medical cannabis

- 1 product, as applicable, including the scientific name and any brand or
2 product name for the medical cannabis or medical cannabis product;
- 3 (iii)the growth method for medical cannabis contained in the
4 package or used to manufacture, produce, or create the medical
5 cannabis product, including an indication as to whether the medical
6 cannabis was grown in dirt, hydroponically, or otherwise, whether the
7 medical cannabis was grown using all-organic materials, and a
8 complete list of any nonorganic pesticides, fungicides, and herbicides
9 used during the cultivation of the medical cannabis;
- 10 (iv)in the case of a medical cannabis product, a list of all the
11 ingredients used to manufacture, produce, or create the medical
12 cannabis product, which list shall specifically highlight potential
13 allergens contained within the product or to which the product may
14 have been exposed during the manufacturing, processing, or creation
15 process;
- 16 (v) in the case of a medical cannabis product, whether the product
17 requires refrigeration or other specific actions to preserve the quality,
18 integrity, and safety of the product, along with the expiration date for
19 the product, if any; and
- 20 (vi)information identifying the medical cannabis cultivator or
21 clinical registrant that cultivated the medical cannabis and the medical
22 cannabis manufacturer or clinical registrant that manufactured,
23 produced, or created the medical cannabis product, if applicable, as
24 well as the production batch and lot numbers of the medical cannabis
25 and, if applicable, medical cannabis product.
- 26 (b) In the case of medical cannabis, the label required pursuant to
27 subparagraph (a) of this paragraph shall be prepared by the medical
28 cannabis cultivator or clinical registrant that cultivated the medical
29 cannabis, and shall be affixed at the time the medical cannabis is
30 packaged for dispensing. In the case of a medical cannabis product,
31 the label required pursuant to subparagraph (a) of this paragraph shall
32 be prepared by the medical cannabis manufacturer or clinical registrant
33 that manufactured, produced, or created the product, and shall be
34 affixed at the time the product is packaged for dispensing. In addition,
35 each package of medical cannabis and each medical cannabis product
36 shall include a label with the name and contact information for the
37 medical cannabis dispensary or clinical registrant that dispensed the
38 medical cannabis or medical cannabis product, which shall be affixed
39 by the dispensary or clinical registrant prior to or at the time of
40 dispensing, along with a label that includes the name and contact
41 information for the medical cannabis handler that delivered the
42 medical cannabis or medical cannabis product, if applicable, to be
43 affixed by the handler prior to delivery.
- 44 (c) A medical cannabis cultivator or clinical registrant that
45 furnishes medical cannabis to a medical cannabis manufacturer or
46 clinical registrant for processing shall furnish all such information to

1 the manufacturer or clinical registrant as shall be necessary to prepare
2 a label that meets the requirements of subparagraph (a) of this
3 paragraph.

4 (8)¹ Nonprofit medical cannabis cultivators, medical
5 cannabis manufacturers, ¹medical cannabis wholesalers,¹ and medical
6 cannabis dispensaries need not be recognized as a 501(c)(3)
7 organization by the federal Internal Revenue Service.

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

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

31 d. (1) The **【commissioner】** ¹**【executive director】** commission¹
32 shall require each applicant seeking a permit to operate as **【an**
33 **alternative treatment center】** , to be a director, officer, or employee of,
34 or to be ¹**【an investor】** a significantly involved person¹ in, a medical
35 cannabis cultivator, medical cannabis manufacturer, ¹medical cannabis
36 wholesaler,¹ medical cannabis dispensary, or clinical registrant to
37 undergo a criminal history record background check ¹**【,** except that no
38 criminal history record background check shall be required for an
39 individual who holds less than a five percent investment interest in the
40 medical cannabis cultivator, medical cannabis manufacturer, medical
41 cannabis dispensary, or clinical registrant or who is a member of a
42 group that holds less than a 20 percent investment interest in the
43 medical cannabis cultivator, medical cannabis manufacturer, medical

1 cannabis dispensary, or clinical registrant where no member of the
2 group holds more than a five percent interest in the total group
3 investment interest, and the individual or group lacks the authority to
4 make controlling decisions regarding medical cannabis cultivator,
5 medical cannabis manufacturer, medical cannabis dispensary, or
6 clinical registrant operations]¹ .

7 ¹[In the event that an] Any¹ individual ¹[who is exempt from the
8 criminal history record background check requirement of this section
9 subsequently acquires an investment interest of five percent or more in
10 the] seeking to become a director, officer, or employee of a¹ medical
11 cannabis cultivator, medical cannabis manufacturer, ¹medical cannabis
12 wholesaler,¹ medical cannabis dispensary, or clinical registrant, ¹[or a
13 group that is exempt from the criminal history record background
14 check requirement of this section subsequently acquires an investment
15 interest of 20 percent or more in the medical cannabis cultivator,
16 medical cannabis manufacturer, medical cannabis dispensary, or
17 clinical registrant or any member of the group acquires more than a
18 five percent interest in the total group investment interest, or the
19 individual or group gains the authority to make controlling decisions
20 regarding medical cannabis cultivator, medical cannabis manufacturer,
21 medical cannabis dispensary, or clinical registrant operations, the
22 individual or the members of the group, as applicable,] after issuance
23 of an initial permit¹ shall notify the commission and shall complete a
24 criminal history record background check and provide all information
25 as may be required by the commission ¹as a condition of assuming a
26 position as director, officer, or employee of the permitted entity. An
27 individual who incurs an investment interest or gains the authority to
28 make controlling decisions in a permitted entity that makes the
29 individual a significantly involved person shall notify the commission,
30 complete a criminal history record background check, and provide all
31 information as may be required by the commission¹ no later than 30
32 days after ¹[the date that such change occurs] the date the individual
33 becomes a significantly involved person¹ , or any permit issued to the
34 individual or group ¹of which the significantly involved person is a
35 member¹ shall be revoked and the individual or group shall be deemed
36 ineligible to hold any ownership or investment interest in a medical
37 cannabis cultivator, medical cannabis manufacturer, ¹medical cannabis
38 wholesaler,¹ medical cannabis dispensary, or clinical registrant for a
39 period of ¹at least¹ two years, commencing from the date of revocation
40 ¹, and for such additional period of time as the commission deems
41 appropriate, based on the duration of the nondisclosure, the size of the
42 individual's or group's investment interest in the permitted entity, the
43 amount of profits, revenue, or income realized by the individual or
44 group from the permitted entity during the period of nondisclosure,

1 and whether the individual had a disqualifying conviction or would
2 otherwise have been deemed ineligible to be a significantly involved
3 person in a medical cannabis cultivator, medical cannabis
4 manufacturer, medical cannabis wholesaler, medical cannabis
5 dispensary, or clinical registrant¹ .

6 For purposes of this section, the term "applicant" shall include any
7 owner, director, officer, or employee of **[an alternative treatment**
8 **center]** , and any ¹**[investor]** significantly involved person¹ in, a
9 medical cannabis cultivator, medical cannabis manufacturer, ¹medical
10 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
11 registrant¹ **[**, but shall not include any individual or group that is
12 exempt from the criminal history record background check
13 requirements of this section, which individuals and groups shall not be
14 required to complete any portion of an initial or renewal permit
15 application unless the individual or group subsequently becomes
16 subject to the criminal history record background check requirement as
17 provided in this section, in which case the individual or group shall be
18 required to provide all information as may be required by the
19 commission within 30 days of the change or any permit issued to the
20 individual or group shall be revoked and the individual or group shall
21 be deemed ineligible to hold any ownership or investment interest in a
22 medical cannabis cultivator, medical cannabis manufacturer, medical
23 cannabis dispensary, or clinical registrant for a period of two years,
24 commencing from the date of revocation]¹ . The **[commissioner]**
25 ¹**[executive director]** commission¹ is authorized to exchange
26 fingerprint data with and receive criminal history record background
27 information from the Division of State Police and the Federal Bureau
28 of Investigation consistent with the provisions of applicable federal
29 and State laws, rules, and regulations. The Division of State Police
30 shall forward criminal history record background information to the
31 **[commissioner]** ¹**[executive director]** commission¹ in a timely
32 manner when requested pursuant to the provisions of this section.

33 An applicant who is required to undergo a criminal history record
34 background check pursuant to this section shall submit to being
35 fingerprinted in accordance with applicable State and federal laws,
36 rules, and regulations. No check of criminal history record
37 background information shall be performed pursuant to this section
38 unless the applicant has furnished **[his]** the applicant's written consent
39 to that check. An applicant who is required to undergo a criminal
40 history record background check pursuant to this section who refuses
41 to consent to, or cooperate in, the securing of a check of criminal
42 history record background information shall not be considered for a
43 permit to operate, or authorization to be employed at or to be¹ **[an**
44 **investor]** a significantly involved person¹ in, **[an alternative treatment**

1 center] a medical cannabis cultivator, medical cannabis manufacturer,
2 'medical cannabis wholesaler,' medical cannabis dispensary, or
3 clinical registrant. An applicant shall bear the cost for the criminal
4 history record background check, including all costs of administering
5 and processing the check.

6 (2) The [commissioner] '[executive director] commission' shall
7 not approve an applicant for a permit to operate, or authorization to be
8 employed at or to be '[an investor] a significantly involved person'
9 in, [an alternative treatment center] a medical cannabis cultivator,
10 medical cannabis manufacturer, 'medical cannabis wholesaler,'
11 medical cannabis dispensary, or clinical registrant if the criminal
12 history record background information of the applicant reveals a
13 disqualifying conviction as set forth in subsection c. of this section.

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

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 in
27 the written notice.

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

40 (5) Notwithstanding the provisions of subsection [b.] c. of this
41 section to the contrary, the [commissioner] '[executive director]
42 commission' may offer provisional authority for an applicant to be an
43 owner, director, officer, or employee of [an alternative treatment

1 center] , or 1[an investor] a significantly involved person¹ in, a
2 medical cannabis cultivator, medical cannabis manufacturer, ¹medical
3 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
4 registrant for a period not to exceed three months if the applicant
5 submits to the [commissioner] 1[executive director] commission¹ a
6 sworn statement attesting that the person has not been convicted of any
7 disqualifying conviction pursuant to this section.

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

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

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

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

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

25 (e) the age of the individual when the crime or offense was
26 committed;

27 (f) whether the crime or offense was an isolated or repeated
28 incident;

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

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

37 e. The [department] commission shall issue a permit to [a person
38 to] operate [as an alternative treatment center] or be an owner,
39 director, officer, or employee of, or ¹[an investor] a significantly
40 involved person¹ in, a medical cannabis cultivator, medical cannabis
41 manufacturer, ¹medical cannabis wholesaler,¹ or medical cannabis
42 dispensary if the [department] commission finds that issuing such a
43 permit would be consistent with the purposes of [this act] P.L.2009,
44 c.307 (C.24:6I-1 et al.) and the requirements of this section and section

1 11 of P.L. , c. (C.) (pending before the Legislature as this bill)
 2 are met [and the department has verified the information contained in
 3 the application. The department shall approve or deny an application
 4 within 60 days after receipt of a completed application]. The denial of
 5 an application shall be considered a final agency decision, subject to
 6 review by the Appellate Division of the Superior Court. [The
 7 department may suspend or revoke a permit to operate as an
 8 alternative treatment center for cause, which shall be subject to review
 9 by the Appellate Division of the Superior Court] ¹[An initial] ¹A¹
 10 permit to operate a medical cannabis cultivator, medical cannabis
 11 manufacturer, ¹medical cannabis wholesaler,¹ or medical cannabis
 12 dispensary issued on or after the effective date of P.L. , c. (C.)
 13 (pending before the Legislature as this bill) shall be valid for ¹[three
 14 years. Medical cannabis cultivator, medical cannabis manufacturer,
 15 and medical cannabis dispensary permits shall be renewable
 16 biennially] one year and shall be renewable annually¹.

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

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

36 h. [An alternative treatment center may charge a registered
 37 qualifying patient or primary caregiver for the reasonable costs
 38 associated with the production and distribution of marijuana for the
 39 cardholder] ¹[(1) Each medical cannabis cultivator shall maintain and
 40 make available through its Internet website, if any, a standard price list
 41 that shall apply to all medical cannabis, which prices shall be
 42 reasonable and consistent with the actual costs incurred by the medical
 43 cannabis cultivator in connection with cultivating the medical

1 cannabis. The prices charged by the medical cannabis cultivator shall
2 not deviate from the prices indicated on the facility's current price list.

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

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

36 (4) Any prices a medical cannabis dispensary charges to another
37 medical cannabis dispensary or to a clinical registrant, qualifying
38 patient, designated caregiver, or institutional caregiver for medical
39 cannabis, medical cannabis products, and related supplies and
40 paraphernalia shall be reasonable and consistent with the actual costs
41 incurred by the medical cannabis dispensary in connection with
42 acquiring and selling, transferring, or dispensing the medical cannabis
43 or medical cannabis product and related supplies and paraphernalia. A
44 medical cannabis dispensary may establish a written policy for making
45 medical cannabis available at a reduced price or without charge to

1 qualifying patients who have a demonstrated financial hardship, as that
2 term shall be defined by the commission by regulation.

3 (5) A price list required under paragraphs (1), (2), or (3) of]

4 Each medical cannabis dispensary and clinical registrant shall
5 maintain and make available on its Internet website, if any, a standard
6 price list that shall apply to all medical cannabis, medical cannabis
7 products, and related supplies and paraphernalia sold or dispensed by
8 the medical cannabis dispensary or clinical registrant, which prices
9 shall be reasonable and consistent with the actual costs incurred by the
10 medical cannabis dispensary or clinical registrant in connection with
11 acquiring and selling, transferring, or dispensing the medical cannabis
12 or medical cannabis product and related supplies and paraphernalia.
13 The prices charged by medical cannabis dispensary or clinical
14 registrant shall not deviate from the prices indicated on the entity's
15 current price list², provided that a price list maintained by a medical
16 cannabis dispensary or clinical registrant may allow for medical
17 cannabis to be made available at a reduced price or without charge to
18 qualifying patients who have a demonstrated financial hardship, as that
19 term shall be defined by the commission by regulation² . A price list
20 required pursuant to¹ this subsection may be revised no more than
21 once per month, and each medical cannabis¹ [cultivator, medical
22 cannabis manufacturer,] dispensary¹ and clinical registrant shall be
23 responsible for ensuring that the commission has a copy of the
24 facility's current price list. A medical cannabis¹ [cultivator, medical
25 cannabis manufacturer,] dispensary¹ or clinical registrant shall be
26 liable to a civil penalty of \$1,000 for each sale that occurs at a price
27 that deviates from the entity's current price list, and to a civil penalty
28 of \$10,000 for each week during which the entity's current price list is
29 not on file with the commission. Any civil penalties collected by the
30 commission pursuant to this section shall be used by the commission
31 for the purposes of administering the State medical cannabis program.

32 i. The [commissioner]¹ [executive director] commission¹ shall
33 adopt regulations to:

34 (1) require such written documentation of each delivery¹ or
35 dispensation¹ of [marijuana] cannabis to, and pickup of [marijuana]
36 cannabis for, a registered qualifying patient, including the date and
37 amount dispensed¹, and, in the case of delivery, the date and times the
38 at the delivery commenced and was completed, the address where the
39 medical cannabis was delivered, the name of the patient or caregiver to
40 whom the medical cannabis was delivered, and the name, handler
41 certification number, and delivery certification number of the medical
42 cannabis handler who performed the delivery¹, to be maintained in the
43 records of the [alternative treatment center] medical cannabis
44 dispensary or clinical registrant, as the [commissioner]¹ [executive

1 director] commission¹ determines necessary to ensure effective
2 documentation of the operations of each [alternative treatment center]
3 medical cannabis dispensary or clinical registrant;

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

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

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

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

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

34 k. ¹(1)¹ The first six alternative treatment centers issued permits
35 following the effective date of P.L.2009, c.307 (C.24:6I-1 et al.) shall
36 be authorized to sell or transfer such permit and other assets to a for-
37 profit entity, provided that: the sale or transfer is approved by the
38 commission; each owner, director, officer, and employee of, and
39 ¹[investor] significantly involved person¹ in, the entity seeking to
40 purchase or receive the transfer of the permit, undergoes a criminal
41 history record background check pursuant to subsection d. of this
42 section, provided that nothing in this subsection shall be construed to
43 require any individual to undergo a criminal history record background
44 check if the individual would otherwise be exempt from undergoing a

1 criminal history record background check pursuant to subsection d. of
2 this section; the commission finds that the sale or transfer of the permit
3 would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et
4 al.); and no such sale or transfer shall be authorized more than one
5 year after the effective date of P.L. , c. (C.) (pending before
6 the Legislature as this bill). The sale or transfer of a permit pursuant
7 to this subsection shall not be subject to the requirements of the “New
8 Jersey Nonprofit Corporation Act,” N.J.S.15A:1-1 et seq., provided
9 that, prior to or at the time of the sale or transfer, all debts and
10 obligations of the nonprofit entity are either paid in full or assumed by
11 the for-profit entity purchasing or acquiring the permit, or a reserve
12 fund is established for the purpose of paying in full the debts and
13 obligations of the nonprofit entity, and the for-profit entity pays the
14 full value of all assets held by the nonprofit entity, as reflected on the
15 nonprofit entity’s balance sheet, in addition to the agreed-upon price
16 for the sale or transfer of the entity’s alternative treatment center
17 permit. Until such time as the members of the Cannabis Regulatory
18 Commission are appointed and the commission first organizes, the
19 Department of Health shall have full authority to approve a sale or
20 transfer pursuant to this ¹subsection. No other entity holding a permit
21 issued pursuant to this section or pursuant to section 13 of P.L. , c.
22 (C.) (pending before the Legislature as this bill) shall be
23 authorized to sell or transfer such permit to any other entity at any
24 time] paragraph¹ .

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

35 1. No employee of any department, division, agency, board, or
36 other State, county, or local government entity involved in the process
37 of reviewing, processing, or making determinations with regard to
38 medical cannabis cultivator, medical cannabis manufacturer, ¹medical
39 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
40 registrant permit applications shall have any direct or indirect financial
41 interest in the cultivating, manufacturing, or dispensing of medical
42 cannabis or related paraphernalia, or otherwise receive anything of
43 value from an applicant for a medical cannabis cultivator, medical
44 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
45 cannabis dispensary, or clinical registrant permit in exchange for

1 reviewing, processing, or making any recommendations with respect
2 to a permit application.

3 m. In the event that a medical cannabis cultivator, medical
4 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
5 cannabis dispensary, or clinical registrant fails to comply with any
6 requirements set forth in P.L.2009, c.307 (C.24:6I-1 et al.)
7 ¹[, P.L. , c. (C.) (pending before the Legislature as this bill),¹
8 or any related law or regulation, the commission may invoke penalties
9 or take administrative action against the medical cannabis cultivator,
10 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
11 medical cannabis dispensary, or clinical registrant and its employees,
12 officers, investors, directors, or governing board, including, but not
13 limited to, assessing fines, referring matters to another State agency,
14 and suspending or terminating any permit held by the medical
15 cannabis cultivator, medical cannabis manufacturer, ¹medical cannabis
16 wholesaler,¹ medical cannabis dispensary, or clinical registrant. Any
17 penalties imposed or administrative actions taken by the commission
18 pursuant to this subsection may be imposed in a summary proceeding.
19 (cf: P.L.2013, c.160, s.2)

20
21 11. (New section) ¹a.¹ The commission shall, no later than 90
22 days after the effective date of P.L. , c. (C.) (pending
23 before the Legislature as this bill) or upon adoption of rules and
24 regulations as provided in subsection c. of section 18 of P.L.2009,
25 c.307 (C.24:6I-16), whichever occurs first, begin accepting and
26 processing applications for new medical cannabis cultivator,
27 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
28 and medical cannabis dispensary permits. Notwithstanding the
29 provisions of ¹subsubparagraph (i) of¹ subparagraph (a) of
30 paragraph (2) of subsection a. of section 7 of P.L.2009, c.307
31 (C.24:6I-7), the first ¹~~six~~ ¹seven¹ alternative treatment center
32 permits issued by the commission pursuant to an application
33 submitted on or after the effective date of P.L. , c. (C.)
34 (pending before the Legislature as this bill) shall be deemed to
35 concurrently hold a medical cannabis cultivator permit, a medical
36 cannabis manufacturer permit, and a medical cannabis dispensary
37 permit ¹; of these seven, at least one permit shall be issued to an
38 applicant located in the northern region of the State, at least one
39 permit shall be issued to an applicant located in the central region
40 of the State, and at least one permit shall be issued to an applicant
41 located in the southern region of the State¹ . Any permits issued by
42 the commission thereafter shall be subject to the provisions of
43 ¹subsubparagraph (i) of¹ subparagraph (a) of paragraph (2) of
44 subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7) ¹, and the

1 requirements of subsection d. of this section concerning conditional
2 permits¹ .

3 ¹b.¹ The commission may establish nonrefundable application
4 fees for permit applications ¹and conditional permit applications,¹
5 and permit ¹and conditional permit¹ fees for successful applicants.

6 ¹c. (1)¹ The commission shall make a determination as to any
7 permit application ¹, other than an application for a conditional
8 permit submitted pursuant to subsection d. of this section,¹ no later
9 than 90 days after receiving the application, which may include a
10 determination that the commission reasonably requires more time to
11 adequately review the application. ¹**【The commission may issue a**
12 **conditional permit to an applicant pending the commission’s final**
13 **determination on the applicant’s permit application, provided the**
14 **applicant submits a sworn statement attesting that no person named**
15 **in the permit application has been convicted of any disqualifying**
16 **conviction pursuant to subsection c. of section 7 of P.L.2009, c.307**
17 **(C.24:6I-7) or that, if a person named in the application has been**
18 **convicted of a disqualifying conviction, the person has or will**
19 **submit evidence of rehabilitation. The commission shall determine**
20 **by regulation which permit requirements are necessary for the**
21 **issuance of a conditional permit pursuant to this section and the**
22 **scope of conduct authorized under a conditional permit, and shall**
23 **establish the terms, conditions, and restrictions for such conditional**
24 **permit as may be necessary and appropriate.】**¹

25 ¹(2)¹ The commission shall issue a permit ¹, other than a
26 conditional permit,¹ to an approved applicant at such time as the
27 commission completes the application review process and any
28 mandatory inspections, and determines that the applicant is in
29 compliance with and is implementing the plans, procedures,
30 protocols, actions, or other measures set forth in the applicant’s
31 permit application submitted pursuant to section 12 of P.L. , c.
32 (C.) (pending before the Legislature as this bill), did maintain
33 compliance with the terms, conditions, or restrictions of a
34 conditional permit issued to the applicant, if applicable, and is
35 otherwise in compliance with the requirements of P.L.2009, c.307
36 (C.24:6I-1 et al.) ¹**【and P.L. , c. (C.) (pending before the**
37 **Legislature as this bill)】**¹ .

38 ¹d. (1) The commission shall ensure that at least one third of
39 the total permits issued for each type of medical cannabis permit are
40 conditional permits, which one-third figure shall include any
41 conditional permit issued to an applicant which is subsequently
42 converted by the commission into a full permit pursuant to
43 paragraph (4) of this subsection and any conditional permit,
44 including a converted permit, issued to a microbusiness pursuant to

1 subsection e. of this section. The requirements of this subsection
2 shall not apply to permits issued to clinical registrants or to permits
3 issued to the seven alternative treatment centers issued a permit
4 pursuant to subsection a. of this section that are expressly exempt
5 from the provisions of subparagraph (i) of subparagraph (a) of
6 paragraph (2) of subsection a. of section 7 of P.L.2009, c.307
7 (C.24:6I-7).

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

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

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

17 (c) a criminal history record background check completed
18 pursuant to subsection d. of section 7 of P.L.2009, c.307 (C.24:6I-7)
19 for each owner, officer, director, and employee of, and each
20 significantly involved person in, the proposed medical cannabis
21 entity, provided that a conditional permit may be issued pending the
22 results of a criminal history record background check;

23 (d) documentation that each significantly involved person in the
24 proposed medical cannabis entity has, for the immediately
25 preceding taxable year, an adjusted gross income of no more than
26 \$200,000 or no more than \$400,000 if filing jointly with another;

27 (e) a certification that each significantly involved person in the
28 proposed medical cannabis entity does not have any financial
29 interest in an entity applying for any other medical cannabis permit,
30 or in an entity that currently holds a permit issued pursuant to
31 section 7 of P.L.2009, c.307 (C.24:6I-7);

32 (f) the federal and State tax identification numbers for the
33 proposed medical cannabis entity, and proof of business registration
34 with the Division of Revenue in the Department of the Treasury;

35 (g) information about the proposed medical cannabis entity,
36 including its legal name, any registered alternate name under which
37 it may conduct business, and a copy of its articles of organization
38 and bylaws;

39 (h) the business plan and management operation profile for the
40 proposed medical cannabis entity;

41 (i) the plan by which the applicant intends to obtain appropriate
42 liability insurance coverage for the proposed medical cannabis
43 entity; and

44 (j) any other requirements established by the commission
45 pursuant to regulation.

1 (3) The commission shall make a determination on an
2 application for a conditional permit within 30 days after the date the
3 application is received. A determination made pursuant to this
4 paragraph may include a determination that the commission
5 requires more time to adequately review the application. The
6 commission shall approve a permit application that meets the
7 requirements of this subsection unless the commission finds by
8 clear and convincing evidence that the applicant would be
9 manifestly unsuitable to perform the activities authorized for the
10 permit sought by the applicant. The commission shall deny a
11 conditional permit to any applicant who fails to provide
12 information, documentation, and assurances as required by this
13 subsection; who fails to reveal any fact material to qualification; or
14 who supplies information that is untrue or misleading as to a
15 material fact pertaining to the qualification criteria for issuance of a
16 conditional permit. If the application is denied, the commission
17 shall notify the applicant in writing of the specific reason for its
18 denial and provide the applicant with the opportunity for a hearing
19 in accordance with the “Administrative Procedure Act,” P.L.1968,
20 c.410 (C.52:14B-1 et seq.).

21 (4) The commission shall furnish to each entity issued a
22 conditional permit a list of the requirements that the entity will be
23 required to comply with within 120 days after issuance of the
24 conditional permit. If the commission subsequently determines
25 that, during the 120-day period, the conditional permit holder is in
26 compliance with all applicable conditions and is implementing the
27 plans, procedures, protocols, actions, or other measures set forth in
28 its application, the commission shall convert the conditional permit
29 into a full permit, which will expire one year from its date of
30 issuance and be subject to annual renewal; if the commission
31 determines that the conditional permit holder is not in compliance
32 with all applicable conditions or not implementing the plans,
33 procedures, protocols, actions, or other measures set forth in its
34 application, the conditional permit shall automatically expire at the
35 end of the 120-day period, or, at the discretion of the commission,
36 may be revoked prior to the end of the 120-day period.

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

39 e. (1) The commission shall ensure that at least 10 percent of
40 the total permits issued for each medical cannabis permit type, other
41 than a clinical registrant permit, are designated for and only issued
42 to microbusinesses, and that at least 25 percent of the total permits
43 issued be issued to microbusinesses. A microbusiness may be
44 issued a full annual permit pursuant to section 7 of P.L.2009, c.307
45 (C.24:6I-7) or a conditional permit pursuant to subsection d. of this
46 section. The maximum fee assessed by the commission for issuance

1 or renewal of a permit issued to a microbusiness shall be no more
2 than half the fee applicable to a permit of the same type issued to a
3 person or entity that is not a microbusiness. A permit issued to a
4 microbusiness shall be valid for one year and may be renewed
5 annually.

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

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

10 (b) at least 51 percent of the owners, directors, officers, and
11 employees of the microbusiness shall be residents of the
12 municipality in which the microbusiness is or will be located, or a
13 municipality bordering the municipality in which the microbusiness
14 is or will be located;

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

18 (d) the microbusiness shall not exceed the following size and
19 capacity restrictions:

20 (i) the entire microbusiness facility shall occupy an area of no
21 more than 2,500 square feet;

22 (ii) in the case of a microbusiness that is a medical cannabis
23 cultivator, the total medical cannabis grow area shall not exceed
24 2,500 square feet, measured on a horizontal plane, shall grow no
25 higher than 24 feet above that plane, and shall possess a total of no
26 more than 1,000 plants, including mature and immature medical
27 cannabis plants, but not including seedlings;

28 (iii) in the case of a microbusiness that is a medical cannabis
29 manufacturer, the manufacturer shall acquire and process no more
30 than 1,000 pounds of medical cannabis in dried form each month;

31 (iv) in the case of a microbusiness that is a medical cannabis
32 wholesaler, the wholesaler shall acquire for resale no more than
33 1,000 pounds of medical cannabis in dried form, or the equivalent
34 amount of medical cannabis products based on the dosage
35 equivalency guidelines developed by the commission, or any
36 combination thereof, each month; and

37 (v) in the case of a microbusiness that is a medical cannabis
38 dispensary, the dispensary shall acquire no more than 1,000 pounds
39 of medical cannabis in dried form, or the equivalent amount in any
40 other form, or any combination thereof, for dispensing to or on
41 behalf of registered qualifying patients each month; and

42 (e) the microbusiness shall comply with such other requirements
43 as may be established by the commission by regulation.¹

1 12. (New section) a. Each application for ¹[an initial three-
2 year] a¹ medical cannabis cultivator permit, medical cannabis
3 manufacturer permit, ¹medical cannabis wholesaler permit,¹ and
4 medical cannabis dispensary permit, and each application for
5 ¹[biennial] annual¹ renewal of such permit, ¹including permit and
6 renewal applications for microbusinesses that meet the requirements
7 of subsection e. of section 11 of P.L. _____, c. _____ (C. _____) (pending
8 before the Legislature as this bill),¹ shall be submitted to the
9 commission. A full, separate application shall be required for each
10 initial permit requested by the applicant and for each location at
11 which an applicant seeks to operate, regardless of whether the
12 applicant was previously issued ¹[, or currently holds,]¹ a medical
13 cannabis cultivator, medical cannabis manufacturer, ¹medical
14 cannabis wholesaler,¹ medical cannabis dispensary, or clinical
15 registrant permit ¹, and regardless of whether the applicant currently
16 holds a medical cannabis cultivator, medical cannabis manufacturer,
17 medical cannabis wholesaler, or medical cannabis dispensary
18 permit¹. Renewal applications shall be submitted to the
19 commission on a form and in a manner as shall be specified by the
20 commission no later than 90 days before the date the current permit
21 will expire.

22 b. An initial permit application shall be evaluated according to
23 criteria to be developed by the commission. The commission shall
24 determine the point values to be assigned to each criterion, which
25 shall include bonus points for applicants who are residents of New
26 Jersey.

27 c. The criteria to be developed by the commission pursuant to
28 subsection b. of this section shall include, in addition to the criteria
29 set forth in subsections d. and e. of this section and any other
30 criteria developed by the commission, an analysis of the applicant's
31 operating plan, excluding safety and security criteria, which shall
32 include the following:

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

37 (a) State-authorized cultivation of medical cannabis;

38 (b) conventional horticulture or agriculture, familiarity with
39 good agricultural practices, and any relevant certifications or
40 degrees;

41 (c) quality control and quality assurance;

42 (d) recall plans;

43 (e) packaging and labeling;

44 (f) inventory control and tracking software or systems for the
45 production of medical cannabis;

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

- 1 **(b) recall plans;**
- 2 **(c) packaging and labeling;**
- 3 **(d) inventory control and systems for the resale of medical**
- 4 **cannabis and medical cannabis products;**
- 5 **(e) current industry best practices concerning the warehousing**
- 6 **of medical cannabis and medical cannabis products;**
- 7 **(f) secure transportation and storage of medical cannabis and**
- 8 **medical cannabis products;**
- 9 **(g) odor mitigation practices;**
- 10 **(h) onsite and offsite recordkeeping;**
- 11 **(i) waste disposal plans; and**
- 12 **(j) compliance with applicable laws and regulations.**
- 13 **(4)¹** In the case of an applicant for a medical cannabis
- 14 dispensary permit, the operating plan summary shall include a
- 15 written description concerning the applicant's qualifications for,
- 16 experience in, and knowledge of each of the following topics:
- 17 (a) State-authorized dispensation of medical cannabis to
- 18 qualifying patients;
- 19 (b) healthcare, medicine, and treatment of patients with
- 20 qualifying medical conditions;
- 21 (c) medical cannabis product evaluation procedures;
- 22 (d) recall plans;
- 23 (e) packaging and labeling;
- 24 (f) inventory control and point-of-sale software or systems for
- 25 the sale of medical cannabis;
- 26 (g) patient counseling procedures;
- 27 (h) the routes of administration, strains, varieties, and
- 28 cannabinoid profiles of medical cannabis and medical cannabis
- 29 products;
- 30 (i) odor mitigation practices;
- 31 (j) onsite and offsite recordkeeping;
- 32 (k) compliance with State and federal patient privacy rules;
- 33 (l) waste disposal plans; and
- 34 (m) compliance with applicable laws and regulations.
- 35 d. The criteria to be developed by the commission pursuant to
- 36 subsection b. of this section shall include, in addition to the criteria
- 37 set forth in subsections c. and e. of this section and any other
- 38 criteria developed by the commission, an analysis of the following
- 39 factors, if applicable:
- 40 (1) The applicant's environmental impact plan.
- 41 (2) A summary of the applicant's safety and security plans and
- 42 procedures, which shall include descriptions of the following:
- 43 (a) plans for the use of security personnel, including
- 44 contractors;

- 1 (b) the experience or qualifications of security personnel and
2 proposed contractors;
- 3 (c) security and surveillance features, including descriptions of
4 any alarm systems, video surveillance systems, and access and
5 visitor management systems, along with drawings identifying the
6 proposed locations for surveillance cameras and other security
7 features;
- 8 (d) plans for the storage of medical cannabis and medical
9 cannabis products, including any safes, vaults, and climate control
10 systems that will be utilized for this purpose;
- 11 (e) a diversion prevention plan;
- 12 (f) an emergency management plan;
- 13 (g) procedures for screening, monitoring, and performing
14 criminal history record background checks of employees;
- 15 (h) cybersecurity procedures, including, in the case of an
16 applicant for a medical cannabis dispensary permit, procedures for
17 collecting, processing, and storing patient data, and the applicant's
18 familiarity with State and federal privacy laws;
- 19 (i) workplace safety plans and the applicant's familiarity with
20 federal Occupational Safety and Health Administration regulations;
- 21 (j) the applicant's history of workers' compensation claims and
22 safety assessments;
- 23 (k) procedures for reporting adverse events; and
- 24 (l) a sanitation practices plan.
- 25 (3) A summary of the applicant's business experience, including
26 the following, if applicable:
- 27 (a) the applicant's experience operating businesses in highly-
28 regulated industries;
- 29 (b) the applicant's experience in operating alternative treatment
30 centers and related medical cannabis production and dispensation
31 entities under the laws of New Jersey or any other state or
32 jurisdiction within the United States; and
- 33 (c) the applicant's plan to comply with and mitigate the effects
34 of 26 U.S.C. s.280E on cannabis businesses, and for evidence that
35 the applicant is not in arrears with respect to any tax obligation to
36 the State.
- 37 In evaluating the experience described under subparagraphs (a),
38 (b), and (c) of this paragraph, the commission shall afford the
39 greatest weight to the experience of the applicant itself, controlling
40 owners, and entities with common ownership or control with the
41 applicant; followed by the experience of those with a 15 percent or
42 greater ownership interest in the applicant's organization; followed
43 by ¹**【interest holders】** significantly involved persons¹ in the
44 applicant's organization; followed by other officers, directors, and
45 ¹**【bona fide full-time】** current and prospective¹ employees of the

1 applicant ¹who have a bona fide relationship with the applicant's
2 organization¹ as of the submission date of the application.

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

5 (a) the proposed location, the surrounding area, and the
6 suitability or advantages of the proposed location, along with a
7 floor plan and optional renderings or architectural or engineering
8 plans;

9 (b) the submission of zoning approvals for the proposed
10 location, which shall consist of a letter or affidavit from appropriate
11 municipal officials that the location will conform to municipal
12 zoning requirements allowing for such activities related to the
13 cultivation, manufacturing, or dispensing of medical cannabis,
14 cannabis products, and related supplies as will be conducted at the
15 proposed facility; and

16 (c) the submission of proof of local support for the suitability of
17 the location, which may be demonstrated by a resolution adopted by
18 the municipality's governing body indicating that the intended
19 location is appropriately located or otherwise suitable for such
20 activities related to the cultivation, manufacturing, or dispensing of
21 medical cannabis, cannabis products, and related supplies as will be
22 conducted at the proposed facility.

23 Notwithstanding any other provision of this subsection, an
24 application shall be disqualified from consideration unless it
25 includes documentation demonstrating that the applicant will have
26 final control of the premises upon approval of the application,
27 including, but not limited to, a lease agreement, contract for sale,
28 title, deed, or similar documentation. In addition, if the applicant
29 will lease the premises, the application will be disqualified from
30 consideration unless it includes certification from the landlord that
31 the landlord is aware that the tenant's use of the premises will
32 involve activities related to the cultivation, manufacturing, or
33 dispensing of medical cannabis and medical cannabis products. An
34 application shall not be disqualified from consideration if the
35 application does not include the materials described in
36 subparagraphs (b) or (c) of this paragraph.

37 (5) A community impact, social responsibility, and research
38 statement, which ¹**【may】 shall**¹ include, but shall not be limited to,
39 the following:

40 (a) a community impact plan summarizing how the applicant
41 intends to have a positive impact on the community in which the
42 proposed entity is to be located, which shall include an economic
43 impact plan, a description of outreach activities, and any financial
44 assistance or discount plans the applicant will provide to qualifying
45 patients and designated caregivers;

1 (b) a written description of the applicant’s record of social
2 responsibility, philanthropy, and ties to the proposed host
3 community;

4 (c) a written description of any research the applicant has
5 conducted on the medical efficacy or adverse effects of cannabis
6 use and the applicant’s participation in or support of cannabis-
7 related research and educational activities; and

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

12 In evaluating the information submitted pursuant to
13 subparagraphs (b) and (c) of this paragraph, the commission shall
14 afford the greatest weight to ¹**【the experience of】** responses
15 pertaining to¹ the applicant itself, controlling owners, and entities
16 with common ownership or control with the applicant; followed by
17 ¹**【the experience of】** responses pertaining to¹ those with a 15
18 percent or greater ownership interest in the applicant’s organization;
19 followed by ¹**【interest holders】** significantly involved persons¹ in
20 the applicant’s organization; followed by other officers, directors,
21 and ¹**【bona fide full-time】** current and prospective¹ employees of
22 the applicant ¹who have a bona fide relationship with the
23 applicant’s organization¹ as of the submission date of the
24 application.

25 (6) A workforce development and job creation plan, which may
26 include, but shall not be limited to a description of the applicant’s
27 workforce development and job creation plan, which may include
28 information on the applicant’s history of job creation and planned
29 job creation at the proposed facility; education, training, and
30 resources to be made available for employees; any relevant
31 certifications; and ¹**【an optional】** a¹ diversity plan.

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

34 (a) an executive summary of the applicant’s business plan;

35 (b) a demonstration of the applicant’s financial ability to
36 implement its business plan, which may include, but shall not be
37 limited to, bank statements, business and individual financial
38 statements, net worth statements, and debt and equity financing
39 statements; and

40 (c) a description of the applicant’s experience complying with
41 guidance pertaining to cannabis issued by the Financial Crimes
42 Enforcement Network under 31 U.S.C. s.5311 et seq., the federal
43 “Bank Secrecy Act”, which may be demonstrated by submitting
44 letters regarding the applicant’s banking history from banks or
45 credit unions that certify they are aware of the business activities of

1 the applicant, or entities with common ownership or control of the
2 applicant's organization, in any state where the applicant has
3 operated a business related to medical cannabis. For the purposes
4 of this subparagraph, the commission shall consider only bank
5 references involving accounts in the name of the applicant or of an
6 entity with common ownership or control of the applicant's
7 organization. An applicant who does not submit the information
8 described in this subparagraph shall not be disqualified from
9 consideration.

10 (8) Whether any of the applicant's majority or controlling
11 owners were previously approved by the commission to serve as an
12 officer, director, principal, or key employee of an alternative
13 treatment center, provided any such individual served in that
14 capacity at the alternative treatment center for six or more months
15 **'[;]'**

16 (9) Whether the applicant can demonstrate that its governance
17 structure includes the involvement of a school of medicine or
18 osteopathic medicine licensed and accredited in the United States,
19 or a general acute care hospital, ambulatory care facility, adult day
20 care services program, or pharmacy licensed in New Jersey,
21 provided that:

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

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

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

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

39 (11) Whether the applicant intends to or has entered into a
40 partnership with a prisoner re-entry program for the purpose of
41 identifying and promoting employment opportunities at the
42 applicant's organization for former inmates and current inmates
43 leaving the corrections system. If so, the applicant shall provide
44 details concerning the name of the re-entry program, the
45 employment opportunities at the applicant's organization that will

1 be made available to the re-entry population, and any other
2 initiatives the applicant's organization will undertake to provide
3 support and assistance to the re-entry population.

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

6 e. In addition to the information to be submitted pursuant to
7 subsections c. and d. of this section, the commission shall require
8 all permit applicants, other than applicants issued a conditional
9 ~~license~~ permit¹, to submit an attestation signed by a bona fide
10 labor organization stating that the applicant has entered into a labor
11 peace agreement with such bona fide labor organization. ~~The~~
12 Except in the case of an entity holding an unconverted conditional
13 permit, the¹ maintenance of a labor peace agreement with a bona
14 fide labor organization shall be an ongoing material condition of
15 maintaining a medical cannabis cultivator, medical cannabis
16 manufacturer, medical cannabis wholesaler,¹ or medical cannabis
17 dispensary permit. The submission of an attestation and
18 maintenance of a labor peace agreement with a bona fide labor
19 organization by an applicant issued a conditional permit pursuant to
20 subsection d. of¹ section 11 of P.L. , c. (C.) (pending
21 before the Legislature as this bill) shall be a requirement for ~~final~~
22 approval for a conversion of a conditional permit into a full¹
23 permit ~~;~~ The¹ failure to enter into a collective bargaining
24 agreement within 200 days ~~of the opening of~~ after the date that¹
25 a medical cannabis cultivator, medical cannabis manufacturer,
26 medical cannabis wholesaler,¹ or medical cannabis dispensary
27 first opens¹ shall result in the suspension or revocation of such
28 permit or conditional permit. In reviewing initial permit
29 applications, the commission shall give priority to the following:

30 (1) Applicants that are party to a collective bargaining
31 agreement with a labor organization that currently represents, or is
32 actively seeking to represent ^{1,1} cannabis workers in New Jersey.

33 (2) Applicants that are party to a collective bargaining
34 agreement with a labor organization that currently represents
35 cannabis workers in another state.

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

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

42 The requirements of this subsection shall not apply to a
43 microbusiness applying for a conditional or annual permit of any
44 type.¹

1 f. In reviewing an initial permit application, unless the
2 information is otherwise solicited by the commission in a specific
3 application question, the commission's evaluation of the application
4 shall be limited to the experience and qualifications of the
5 applicant's organization, including any entities with common
6 ownership or control of the applicant's organization, controlling
7 owners or interest holders in the applicant's organization, ¹[and]¹
8 the officers, directors, and current ¹[full-time existing] or
9 prospective¹ employees of the applicant's organization ¹who have a
10 bona fide relationship with the applicant's organization as of the
11 date of the application, and consultants and independent contractors
12 who have a bona fide relationship with the applicant as of the date
13 of the application¹ . Responses pertaining to ¹[consultants,
14 independent contractors,]¹ applicants who are exempt from the
15 criminal history record background check requirements of section 7
16 of P.L.2009, c.307 (C.24:6I-7) ¹[], and prospective or part-time
17 employees of the entity]¹ shall not be considered. Each applicant
18 shall certify as to the status of the individuals and entities included
19 in the application.

20 g. ¹[The commission shall develop policies and procedures to
21 promote and encourage full participation in the medical cannabis
22 industry by individuals from communities that have historically
23 experienced disproportionate harm under the State's cannabis
24 prohibition and enforcement laws, and to have a positive effect on
25 those communities.]¹ The commission shall conduct a disparity
26 study to determine whether race-based measures should be
27 considered when issuing permits pursuant to this section, and shall
28 ¹incorporate the policies, practices, protocols, standards, and
29 criteria developed by the Office of Minority, Disabled Veterans,
30 and Women Medical Cannabis Business Development pursuant to
31 section 32 of P.L. , c. (C.) (pending before the Legislature
32 as this bill) to promote participation in the medical cannabis
33 industry by persons from socially and economically disadvantaged
34 communities, including promoting applications for, and the
35 issuance of, medical cannabis cultivator, medical cannabis
36 manufacturer, medical cannabis wholesaler, and medical cannabis
37 dispensary permits to certified minority, women's, and disabled
38 veterans' businesses. To this end, the commission shall¹ require
39 that at least 30 percent of the total number of new medical cannabis
40 cultivator permits, medical cannabis manufacturer permits, ¹medical
41 cannabis wholesaler permits,¹ and medical cannabis dispensary
42 permits issued on or after the effective date of P.L. , c. (C.)
43 (pending before the Legislature as this bill) are issued as follows:

1 (1) at least 15 percent of the total number of new medical
2 cannabis cultivator permits, medical cannabis manufacturer
3 permits, ¹medical cannabis wholesaler permits,¹ and medical
4 cannabis dispensary permits issued on or after the effective date of
5 P.L. , c. (C.) (pending before the Legislature as this bill)
6 shall be issued to a qualified applicant that has been certified as a
7 minority business pursuant to P.L.1986, c.195 (C.52:27H-
8 21.18 et seq.); and

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

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

21 h. The commission shall give special consideration to any
22 applicant that has entered into an agreement with an institution of
23 higher education to create an integrated curriculum involving the
24 cultivation, manufacturing, **[and]** dispensing ¹resale, warehousing,
25 or delivery¹ of medical cannabis, provided that the curriculum is
26 approved by both the commission and the ¹**[Department of**
27 **Education]** Office of the Secretary of Higher Education¹ and the
28 applicant agrees to maintain the integrated curriculum in perpetuity.
29 An integrated curriculum permit shall be subject to revocation if the
30 IC permit holder fails to maintain or continue the integrated
31 curriculum. In the event that, because of circumstances outside an
32 IC permit holder's control, the IC permit holder will no longer be
33 able to continue an integrated curriculum, the IC permit holder shall
34 notify the commission and shall make reasonable efforts to establish
35 a new integrated curriculum with an institution of higher education,
36 subject to approval by the commission and the ¹**[Department of**
37 **Education]** Office of the Secretary of Higher Education¹. If the IC
38 permit holder is unable to establish a new integrated curriculum
39 within six months after the date the current integrated curriculum
40 arrangement ends, the commission shall revoke the entity's IC
41 permit, unless the commission finds there are extraordinary
42 circumstances that justify allowing the permit holder to retain the
43 permit without an integrated curriculum and the commission finds
44 that allowing the permit holder to retain the permit would be
45 consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.), in

1 which case the IC permit shall convert to a regular permit of the
2 same type. The commission may revise the application and permit
3 fees or other conditions for an IC permit as may be necessary to
4 encourage applications for IC permits.

5 i. Application materials submitted to the commission pursuant
6 to this section shall not be considered a public record pursuant to
7 P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-
8 5 et al.).

9 j. If the commission notifies an applicant that it has performed
10 sufficiently well on multiple applications to be awarded more than
11 one medical cannabis cultivator permit, more than one medical
12 cannabis manufacturer permit, ¹more than one medical cannabis
13 wholesaler permit,¹ or more than one medical cannabis dispensary
14 permit by the commission, the applicant shall notify the
15 commission, within seven business days after receiving such notice,
16 as to which permit it will accept. For any permit award declined by
17 an applicant pursuant to this subsection, the commission shall, upon
18 receiving notice from the applicant of the declination, award the
19 permit to the applicant for that permit type who, in the
20 determination of the commission, best satisfies the commission's
21 criteria while meeting the commission's determination of Statewide
22 need. If an applicant fails to notify the commission as to which
23 permit it will accept, the commission shall have the discretion to
24 determine which permit it will award to the applicant, based on the
25 commission's determination of Statewide need and other
26 applications submitted for facilities to be located in the affected
27 regions.

28
29 13. (New section) a. The commission shall issue clinical
30 registrant permits to qualified applicants that meet the requirements
31 of this section. In addition to any other requirements as the
32 commission establishes by regulation regarding application for and
33 issuance of a clinical registrant permit, each clinical registrant
34 applicant shall:

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

38 (2) submit to the commission any required application and
39 permit fees;

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

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

1 b. The commission shall, no later than 90 days after the
2 effective date of P.L. , c. (C.) (pending before the
3 Legislature as this bill) or upon adoption of rules and regulations as
4 provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-
5 16), whichever occurs first, begin accepting and processing
6 applications for four clinical registrant permits. Thereafter, the
7 commission shall accept applications for and issue such additional
8 clinical registrant permits as it determines to be necessary and
9 consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.)
10 ¹and P.L. , c. (C.) (pending before the Legislature as this
11 bill)¹. The commission shall make a determination as to a clinical
12 registrant permit application no later than 90 days after receiving
13 the application, which may include a determination that the
14 commission reasonably requires more time to adequately review the
15 application. ¹In reviewing and approving applications for clinical
16 registrant permits, the commission shall seek to incorporate the
17 policies, practices, protocols, standards, and criteria developed by
18 the Office of Minority, Disabled Veterans, and Women Medical
19 Cannabis Business Development pursuant to section 32 of P.L. ,
20 c. (C.) (pending before the Legislature as this bill) to
21 promote participation in the medical cannabis industry by persons
22 from socially and economically disadvantaged communities. In no
23 case shall the commission accept, process, or approve an
24 application submitted by an applicant that has contracted with an
25 academic medical center that is part of a health care system that
26 includes another academic medical center that has contracted with
27 an applicant for, or a holder of, a clinical registrant permit.¹
28 c. A contract between a clinical registrant and an academic
29 medical center shall include a commitment by the academic medical
30 center, or its affiliate, to engage in clinical research related to the
31 use of medical cannabis in order to advise the clinical registrant
32 concerning patient health and safety, medical applications, and
33 dispensing and management of controlled substances, among other
34 areas. A clinical registrant issued a permit pursuant to this section
35 shall have a written contractual relationship with no more than one
36 academic medical center.
37 d. A clinical registrant issued a permit pursuant to this section
38 shall be authorized to engage in all conduct involving the
39 cultivation, ¹processing manufacturing¹ , and dispensing of
40 medical cannabis as is authorized for an entity holding medical
41 cannabis cultivator, medical cannabis manufacturer, and medical
42 cannabis dispensary permits pursuant to P.L.2009, c.307 (C.24:6I-
43 1 et al.) ¹and P.L. , c. (C.) (pending before the Legislature
44 as this bill)¹, including dispensing medical cannabis and medical
45 cannabis products to qualifying patients and designated and

1 institutional caregivers. The clinical registrant shall additionally be
2 authorized to engage in clinical research involving medical
3 cannabis using qualifying patients who consent to being part of
4 such research, subject to any restrictions established by the
5 commission. ¹The clinical registrant shall be prohibited from
6 engaging in any activities authorized for a medical cannabis
7 wholesaler pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), except to
8 the extent that such activities are otherwise authorized for a medical
9 cannabis cultivator, medical cannabis manufacturer, or medical
10 cannabis dispensary.¹

11 e. ¹**[**A clinical registrant issued a permit pursuant to this
12 section may apply to the commission for a Class 3 Cannabis
13 Wholesaler license or for a Class 1 Cannabis Grower license, a
14 Class 2 Cannabis Processor license, a Class 3 Cannabis Wholesaler
15 license, and a Class 4 Cannabis Retailer license, and shall be
16 authorized to engage in any activities authorized pursuant to any
17 such license issued, provided that:

18 (1) a clinical registrant may concurrently hold a Class 1
19 Cannabis Grower license, a Class 2 Cannabis Processor license, and
20 a Class 4 Cannabis Retailer license;

21 (2) a clinical registrant that is issued a Class 3 Cannabis
22 Wholesaler license shall not be authorized to concurrently hold a
23 Class 1 Cannabis Grower license, a Class 2 Cannabis Processor
24 license, or a Class 4 Cannabis Retailer license; and

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

29 A clinical registrant issued an adult use cannabis license
30 pursuant to this subsection shall be authorized to use the same
31 premises for all activities authorized under P.L.2009, c.307
32 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
33 Legislature as Senate Bill No. 2703) without being required to
34 establish or maintain any physical barriers or separations between
35 operations related to the medical use of cannabis and operations
36 related to adult use cannabis, provided that the clinical registrant
37 shall be required to certify to the commission that the clinical
38 registrant has sufficient quantities of medical cannabis and medical
39 cannabis products available to meet the reasonably anticipated
40 treatment needs of registered qualifying patients as a condition of
41 engaging in activities related to the growing, producing,
42 wholesaling, or retail sale of adult use cannabis, as applicable.

43 f.¹ **[**(1) A clinical registrant issued a permit pursuant to this
44 section may conduct authorized activities related to medical
45 cannabis ¹**[**and, if applicable, adult use cannabis,**]**¹ at more than

1 one physical location, provided that each location is approved by
2 the commission and is in the same region in which the academic
3 medical center with which the clinical registrant has a contract is
4 located.

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

15 (3) The commission may authorize a clinical registrant to
16 dispense medical cannabis and medical cannabis products from
17 more than one physical location if the commission determines that
18 authorizing additional dispensing locations is necessary for the
19 clinical registrant to best serve and treat qualifying patients and
20 clinical trial participants ¹ .

21 (4) In no case shall a clinical registrant operate or be located on
22 land that is valued, assessed or taxed as an agricultural or
23 horticultural use pursuant to the "Farmland Assessment Act of
24 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.)¹ .

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

27 ¹ [h.] g.¹ Clinical registrant permits shall be valid for the term
28 of the contractual relationship between the academic medical center
29 and the clinical registrant. The commission may renew a clinical
30 registrant permit to correspond to any renewal of the contractual
31 relationship between the academic medical center and the clinical
32 registrant.

33 ¹ [i.] h.¹ Each clinical registrant shall submit the results of the
34 clinical research obtained through an approved clinical registrant
35 permit to the commission no later than one year following the
36 conclusion of the research study or publication of the research study
37 in a peer-reviewed medical journal. Nothing in this subsection shall
38 be deemed to require the disclosure of any clinical research that
39 would infringe on the intellectual property of the clinical registrant
40 or on the confidentiality of patient information.

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

1 14. (New section) a. (1) The commission shall, within 18
2 months following the commission's organization, and every three
3 years thereafter, conduct a feasibility study concerning the potential
4 for establishing a cannabis research and development permit type.
5 In order to advance scientific and medical understanding concerning
6 the potential uses of medical cannabis, and to ensure ongoing
7 quality control in the collection of data and the aggregation of
8 clinical, translational, and other research, the feasibility study shall
9 assess the medical cannabis market and industry, current
10 perspectives in the scientific and medical communities on medical
11 cannabis, as well as those of other relevant disciplines, to determine
12 the potential benefits of establishing a research and development
13 permit type. Any cannabis research and development permit
14 established by the commission shall be limited to advancing the use
15 of cannabis as medicine, improving the lives of current registered
16 qualifying patients as well as future patients who could derive
17 therapeutic benefit from the use of cannabis, and furthering the
18 knowledge of cannabis in the scientific and medical communities.

19 (2) The commission shall additionally assess the feasibility of
20 securing State funding to support the award of a monetary grant in
21 conjunction with the issuance of a cannabis research and
22 development permit to a successful applicant, following a
23 competitive application process, as well as assess potential future
24 regulations to apply to any cannabis research and development
25 permits that are supported by private investment.

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

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

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

39 c. The commission may establish, by regulation, such
40 additional permit types in connection with medical cannabis as the
41 commission deems necessary and appropriate to maximize the
42 effectiveness and efficiency of the State medical cannabis program
43 and meet the needs of qualifying patients, health care practitioners,
44 medical cannabis cultivators, medical cannabis manufacturers,
45 medical cannabis wholesalers,¹ medical cannabis dispensaries, and

1 related entities. Such permits may include, but shall not be limited
2 to, permits authorizing pharmacy practice sites licensed pursuant to
3 P.L.2003, c.280 (C.45:14-40 et seq.) to be authorized to dispense
4 medical cannabis to qualifying patients and their designated and
5 institutional caregivers.

6
7 15. (New section) a. A medical cannabis cultivator, medical
8 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
9 cannabis dispensary, or clinical registrant may appoint a medical
10 advisory board to provide advice to the medical cannabis cultivator,
11 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
12 medical cannabis dispensary, or clinical registrant on all aspects of
13 its business.

14 b. A medical advisory board appointed pursuant to this section
15 shall comprise five members: three health care practitioners
16 licensed or certified to practice in New Jersey; one qualifying
17 patient who resides in the same area in which the medical cannabis
18 cultivator, medical cannabis manufacturer, ¹medical cannabis
19 wholesaler,¹ medical cannabis dispensary, or clinical registrant is
20 located; and one individual who owns a business in the same area in
21 which the medical cannabis cultivator, medical cannabis
22 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
23 dispensary, or clinical registrant is located. No owner, director,
24 officer, or employee of a medical cannabis cultivator, medical
25 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
26 cannabis dispensary, or clinical registrant may serve on a medical
27 advisory board. The membership of a medical advisory board shall
28 be subject to commission approval.

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

31
32 16. (New section) a. (1) An organization issued a permit to
33 operate a medical cannabis cultivator, medical cannabis
34 manufacturer, ¹medical cannabis wholesaler,¹ medical cannabis
35 dispensary, or clinical registrant ¹or that employs certified medical
36 cannabis handlers for transfer or delivery of medical cannabis
37 pursuant to section 27 of P.L. , c. (C.) (pending before the
38 Legislature as this bill¹ shall not be eligible for a State or local
39 economic incentive.

40 (2) The issuance of a permit to operate a medical cannabis
41 cultivator, medical cannabis manufacturer, ¹medical cannabis
42 wholesaler,¹ cannabis dispensary, or clinical registrant ¹or a
43 certification to a handler employed by any entity to perform
44 transfers or deliveries of medical cannabis pursuant to section 27 of

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

10 b. (1) A property owner, developer, or operator of a project to
11 be used, in whole or in part, as a medical cannabis cultivator,
12 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹
13 medical cannabis dispensary, or clinical registrant ¹or an entity that
14 employs medical cannabis handlers to perform transfers or
15 deliveries of medical cannabis pursuant to section 27 of P.L. , c.
16 (C.) (pending before the Legislature as this bill)¹ shall not be
17 eligible for a State or local economic incentive during the period of
18 time that the economic incentive is in effect.

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

33 c. As used in this section:

34 "Business" means any non-governmental person, association,
35 for-profit or non-profit corporation, joint venture, limited liability
36 company, partnership, sole proprietorship, or other form of business
37 organization or entity.

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

40 "State or local economic incentive" means a financial incentive,
41 awarded by a governmental entity to a business, or agreed to
42 between a governmental entity and a business, for the purpose of
43 stimulating economic development or redevelopment in New
44 Jersey, including, but not limited to, a bond, grant, loan, loan
45 guarantee, matching fund, tax credit, or other tax expenditure.

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

4
5 17. Section 8 of P.L.2009, c.307 (C.24:6I-8) is amended to read
6 as follows:

7 8. The provisions of **【this act】** P.L.2009, c.307 (C.24:6I-
8 1 et al.) ¹**【,】** and¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**【, and**
9 P.L. , c. (C.) (pending before the Legislature as this bill)】¹

10 shall not be construed to permit a person to:

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

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

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

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

22
23 18. Section 10 of P.L.2009, c.307 (C.24:6I-10) is amended to
24 read as follows:

25 10. a. A **【physician】** health care practitioner shall provide
26 written instructions for a registered qualifying patient or **【his】** the
27 patient's designated caregiver, or an institutional caregiver acting
28 on behalf of the patient, to present to **【an alternative treatment**
29 **center】** a medical cannabis dispensary or a clinical registrant
30 concerning the total amount of usable **【marijuana】** cannabis that a
31 patient may be dispensed, in weight, in a 30-day period, which
32 amount shall not exceed **【two ounces**. If no amount is noted, the
33 maximum amount that may be dispensed at one time is two ounces**】**
34 the maximum amount that may be authorized for the patient
35 pursuant to subsection f. of this section.

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

40 (1) Each separate set of instructions shall be issued for a
41 legitimate medical purpose by the **【physician】** health care
42 practitioner, as provided in **【this act】** P.L.2009, c.307 (C.24:6I-
43 1 et al.);

- 1 (2) Each separate set of instructions shall indicate the earliest
2 date on which a **center** dispensary or clinical registrant may
3 dispense the **marijuana** cannabis, except for the first dispensation
4 if it is to be filled immediately; and
- 5 (3) The **physician** health care practitioner has determined that
6 providing the patient with multiple instructions in this manner does
7 not create an undue risk of diversion or abuse.
- 8 c. A registered qualifying patient or **his primary** the patient's
9 designated caregiver, or an institutional caregiver acting on behalf
10 of a qualifying patient, shall present verification of the patient's or
11 caregiver's registry identification card registration with the
12 commission, as applicable, and these written instructions to the
13 alternative treatment center any medical cannabis dispensary or
14 clinical registrant¹ at the time the patient or caregiver requests the
15 dispensing or delivery of medical cannabis¹, which¹ medical
16 cannabis dispensary or clinical registrant¹ shall verify and log the
17 documentation presented. An institutional caregiver shall
18 additionally present an authorization executed by the patient
19 certifying that the institutional caregiver is authorized to obtain
20 medical cannabis on behalf of the patient. A physician health
21 care practitioner may provide a copy of a written instruction by
22 electronic or other means, as determined by the commissioner
23 executive director commission¹, directly to an alternative
24 treatment center a medical cannabis dispensary or a clinical
25 registrant on behalf of a registered qualifying patient. The
26 dispensation of marijuana medical cannabis pursuant to any
27 written instructions shall occur within one month year¹ of the
28 date that the instructions were written or become eligible for
29 dispensing, whichever is later, or the instructions are void.
- 30 d. **A patient may be registered at only one alternative**
31 **treatment center at any time.** ~~(deleted by amendment, P.L. , c.)~~
32 ~~(pending before the Legislature as this bill)~~
- 33 e. Prior to dispensing medical cannabis to a qualifying patient,
34 the patient's designated caregiver, or an institutional caregiver, the
35 medical cannabis dispensary or clinical registrant shall access the
36 system established pursuant to section 11 of P.L.2009, c.307
37 (C.45:1-45.1) to ascertain whether medical cannabis was dispensed
38 for to or on behalf of the patient by any medical cannabis
39 dispensary or clinical registrant within the preceding 30 days.
40 Upon dispensing medical cannabis to a qualifying patient, the
41 patient's designated caregiver, or an institutional caregiver, the
42 medical cannabis dispensary or clinical registrant shall transmit to
43 the patient's health care practitioner information concerning the
44 amount, strain, and form of medical cannabis that was dispensed.

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

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

8 (b) on or after January 1, 2019 and continuing until July 1,
9 2019, two and one-half ounces in dried form or the equivalent
10 amount in any other form; and

11 (c) on or after July 1, 2019, three ounces in dried form or the
12 equivalent amount in any other form] three ounces. Commencing
13 18 months after the effective date of P.L. , c. (C.) (pending
14 before the Legislature as this bill), the maximum amount of usable
15 cannabis that a patient may be dispensed shall prescribed by the
16 commission by regulation¹ .

17 (2) The monthly limits set forth in paragraph (1) of this
18 subsection shall not apply to patients who are terminally ill or who
19 are currently receiving hospice care through a licensed hospice,
20 which patients may be dispensed an unlimited amount of medical
21 cannabis. Qualifying patients who are not receiving hospice care or
22 who are not terminally ill may petition the commission, on a form
23 and in a manner as the commission shall require by regulation, for
24 an exemption from the monthly limits set forth in paragraph (1) of
25 this paragraph, which petition the commission shall approve if the
26 commission finds that granting the exemption is necessary to meet
27 the patient's treatment needs and is consistent with the provisions of
28 P.L.2009, c.307 (C.24:6I-1 et al.).

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

32 (1) The curriculum for health care practitioners shall be
33 designed to assist practitioners in counseling patients with regard to
34 the quantity, dosing, and administration of medical cannabis as
35 shall be appropriate to treat the patient's qualifying medical
36 condition. Health care practitioners shall complete the curriculum
37 as a condition of authorizing patients for the medical use of
38 cannabis; and

39 (2) The curriculum for employees of medical cannabis
40 dispensaries and clinical registrants shall be designed to assist the
41 employees in counseling patients with regard to determining the
42 strain and form of medical cannabis that is appropriate to treat the
43 patient's qualifying medical condition. Employees of medical
44 cannabis dispensaries and clinical registrants shall be required to
45 complete the curriculum as a condition of registration with the

1 commission. Completion of the curriculum may constitute part of
2 the annual training required pursuant to paragraph (1) of subsection
3 j. of section 7 of P.L.2009, c.307 (C.24:6I-7).

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

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

14 Commencing July 1, 2023, the amount of the sales tax that may
15 be imposed under the "Sales and Use Tax Act," P.L.1966, c.30
16 (C.54:32B-1 et seq.) on medical cannabis dispensed by a medical
17 cannabis dispensary or clinical registrant shall not exceed one

18 percent.】¹ Commencing ¹【July 1, 2024】 January 1, 2025¹ ,
19 medical cannabis dispensed by a medical cannabis dispensary or
20 clinical registrant shall not be subject to any tax imposed under the
21 "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.).

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

27 ¹i. A municipality in which a medical cannabis dispensary is
28 located may adopt an ordinance imposing a transfer tax on any
29 medical cannabis dispensed by the dispensary, including medical
30 cannabis that is furnished by the dispensary to a medical cannabis
31 handler for delivery to a registered qualifying patient or the
32 patient's caregiver. The rate of a transfer tax established pursuant
33 to this subsection shall be at the discretion of the municipality,
34 except that in no case shall the rate exceed two percent of the
35 purchase price of the medical cannabis.¹

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

37

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

40 13. a. The **【commissioner】** ¹**【executive director】** commission¹
41 may accept from any governmental department or agency, public or
42 private body or any other source grants or contributions to be used
43 in carrying out the purposes of **【this act】** P.L.2009, c.307 (C.24:6I-
44 1 et al.) ¹**【and P.L. , c. (C.) (pending before the Legislature**
45 as this bill)】¹.

1 b. All fees collected pursuant to **【this act】** P.L.2009, c.307
2 (C.24:6I-1 et al.) ¹**【and P.L. , c. (C.) (pending before the**
3 **Legislature as this bill)】**¹, including those from qualifying patients,
4 designated and institutional caregivers, and 【alternative treatment
5 centers】 initial, modification and renewal applications for
6 alternative treatment centers, including medical cannabis
7 cultivators, medical cannabis manufacturers, ¹medical cannabis
8 wholesalers,¹ medical cannabis dispensaries, and clinical
9 registrants, shall be used to offset the cost of the **【department's**
10 **commission's** administration of the provisions of **【this act】**
11 P.L.2009, c.307 (C.24:6I-1 et al.) ¹**【and**
12 **P.L. , c. (C.) (pending before the Legislature as this bill)】**¹.
13 (cf: P.L.2009, c.307, s.13)

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

17 14. a. The commissioner, or after the effective date of
18 P.L. , c. (C.) (pending before the Legislature as this bill), the
19 **【executive director】** **commission**¹ , shall report to the Governor,
20 and to the Legislature pursuant to section 2 of P.L.1991, c.164
21 (C.52:14-19.1):

22 (1) no later than one year after the effective date of **【this act】**
23 P.L.2009, c.307 (C.24:6I-1 et al.), on the actions taken to
24 implement the provisions of **【this act】** P.L.2009, c.307 (C.24:6I-
25 1 et al.); and

26 (2) annually thereafter on the number of applications for
27 **【registry identification cards】** registration with the commission, the
28 number of qualifying patients registered, the number of **【primary】**
29 **【designated and institutional】** caregivers registered, the nature of the
30 **【debilitating】** qualifying medical conditions of the patients, the
31 number of **【registry identification cards】** registrations revoked, the
32 number of **【alternative treatment center】** medical cannabis
33 cultivator, medical cannabis manufacturer, ¹medical cannabis
34 wholesaler,¹ and medical cannabis dispensary permits issued and
35 revoked, the number and type of integrated curricula approved,
36 established, and maintained in connection with an IC permit, the
37 number of testing laboratories licensed, the number of clinical
38 registrant permits issued and the nature of the clinical research
39 conducted by each clinical registrant, any incidents of diversion of
40 medical cannabis, information concerning racial, ethnic, ¹disabled
41 veteran,¹ and gender diversity in the individuals issued and
42 currently holding permits issued by the commission, ¹the number of
43 permit applications received from businesses owned by minorities,

1 disabled veterans, and women and the number of such applications
2 that were approved, the business development initiatives undertaken
3 by the Office of Minority, Disabled Veterans, and Women Medical
4 Cannabis Business Development pursuant to section 32 of P.L. ,
5 c. (C.) (pending before the Legislature as this bill) and the
6 outcomes or effects of those initiatives,¹ statistics concerning
7 arrests for drug offenses throughout the State and in areas where
8 medical cannabis dispensaries are located, including information
9 concerning racial disparities in arrest rates for drug offenses
10 generally and cannabis offenses in particular, ¹the number of motor
11 vehicle stops by law enforcement involving violations of R.S.39:4-
12 50, or section 5 of P.L.1990, c.103 (C.39:3-10.13) concerning
13 operators of commercial motor vehicles, for driving under the
14 influence of medical cannabis, or suspicion thereof, cataloged by
15 the jurisdictions in which the stop occurred, and the race, ethnicity,
16 gender, and age of the vehicle driver and any other vehicle
17 occupants, the number of deliveries of medical cannabis performed
18 and the percentage of total medical cannabis dispensations that were
19 completed by delivery,¹ and the number of [physicians providing
20 certifications for] health care practitioners authorizing patients for
21 the medical use of cannabis, including the types of license or
22 certification held by those practitioners.

23 b. The reports shall not contain any identifying information of
24 patients, caregivers, or [physicians] health care practitioners.

25 c. Within two years after the effective date of [this act]
26 P.L.2009, c.307 (C.24:6I-1 et al.) and every two years thereafter,
27 the commissioner or, after the effective date of
28 P.L. , c. (C.) (pending before the Legislature as this bill),
29 the ¹[executive director] commission¹ , shall: evaluate whether
30 there are sufficient numbers of [alternative treatment centers]
31 medical cannabis cultivators, medical cannabis manufacturers,
32 ¹medical cannabis wholesalers,¹ medical cannabis dispensaries, and
33 clinical registrants to meet the needs of registered qualifying
34 patients throughout the State; ¹[evaluate whether the maximum
35 amount of medical [marijuana] cannabis allowed pursuant to [this
36 act] P.L.2009, c.307 (C.24:6I-1 et al.) is sufficient to meet the
37 medical needs of qualifying patients;]¹ and determine whether any
38 [alternative treatment center] medical cannabis cultivator, medical
39 cannabis manufacturer, ¹medical cannabis wholesaler,¹ medical
40 cannabis dispensary, or clinical registrant has charged excessive
41 prices [for marijuana] in connection with medical cannabis [that
42 the center dispensed].

43 The commissioner or, after the effective date of
44 P.L. , c. (C.) (pending before the Legislature as this bill),

1 the **1** [executive director] commission¹ , shall report **1** [his] all such¹
2 findings no later than two years after the effective date of **1** [this act]
3 P.L.2009, c.307 (C.24:6I-1 et al.), and every two years thereafter, to
4 the Governor, and to the Legislature pursuant to section 2 of
5 P.L.1991, c.164 (C.52:14-19.1).
6 (cf: P.L.2009, c.307, s.14)

7
8 21. Section 15 of P.L.2009, c.307 (C.24:6I-13) is amended to
9 read as follows:

10 15. a. The **1** [Department of Health] Cannabis Regulatory
11 Commission is authorized to exchange fingerprint data with, and
12 receive information from, the Division of State Police in the
13 Department of Law and Public Safety and the Federal Bureau of
14 Investigation for use in reviewing applications for individuals
15 **1** [seeking] who are required to complete a criminal history record
16 background check in connection with applications to serve as
17 **1** [primary] designated caregivers or institutional caregivers pursuant
18 to section 4 of P.L.2009, c.307 (C.24:6I-4), for licenses to operate
19 as, or to be a director, officer, or employee of, medical cannabis
20 testing laboratories pursuant to section 25 of P.L. , c. (C.)
21 (pending before the Legislature as this bill), for permits to operate
22 as, or to be a director, officer, or employee of, or **1**[an investor] a
23 significantly involved person¹ in, clinical registrants pursuant to
24 section 13 of P.L. , c. (C.) (pending before the Legislature
25 as this bill), and for permits to operate as, or to be a director,
26 officer, or employee of, **1** [alternative treatment centers] , or **1** [an
27 investor] a significantly involved person¹ in, medical cannabis
28 cultivators, medical cannabis manufacturers, ¹medical cannabis
29 wholesalers,¹ and medical cannabis dispensaries pursuant to section
30 7 of P.L.2009, c.307 (C.24:6I-7).

31 b. The Division of State Police shall promptly notify the
32 **1** [Department of Health] Cannabis Regulatory Commission in the
33 event an applicant seeking to serve as a **1** [primary] designated or
34 institutional caregiver, an applicant for a license to operate as, or to
35 be a director, officer, or employee of, a medical cannabis testing
36 laboratory, an applicant for a **1**[license] permit¹ to operate as, or to
37 be a director, officer, or employee of, or **1**[an investor] a
38 significantly involved person¹ in, a clinical registrant, or an
39 applicant for a permit to operate as, or to be a director, officer, or
40 employee of, **1** [an alternative treatment center] or **1**[an investor] a
41 significantly involved person¹ in, a medical cannabis cultivator,
42 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹ or
43 medical cannabis dispensary, who was the subject of a criminal
44 history record background check conducted pursuant to subsection

1 a. of this section, is convicted of a crime involving possession or
2 sale of a controlled dangerous substance.

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

4

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

7 16. Nothing in **[this act] P.L.2009, c.307 (C.24:6I-1 et al.)** ¹**[,]**
8 or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**[, or P.L. , c.**
9 (C.) (pending before the Legislature as this bill)]¹ shall be
10 construed to require a government medical assistance program or
11 private health insurer to reimburse a person for costs associated
12 with the medical use of **[marijuana, or an employer to**
13 **accommodate the medical use of marijuana in any workplace]**
14 cannabis, or to restrict or otherwise affect the distribution, sale,
15 prescribing, and dispensing of any product that has been approved
16 for marketing as a prescription drug or device by the federal Food
17 and Drug Administration.

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

19

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

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

29 b. Notwithstanding any provision of P.L.1968, c.410
30 (C.52:14B-1 et seq.) to the contrary, the commissioner shall adopt,
31 immediately upon filing with the Office of Administrative Law and
32 no later than the 90th day after the effective date of **[this act]**
33 P.L.2009, c.307 (C.24:6I-1 et al.), such regulations as the
34 commissioner deems necessary to implement the provisions of **[this**
35 **act]** P.L.2009, c.307 (C.24:6I-1 et al.). Regulations adopted
36 pursuant to this subsection shall be effective until the adoption of
37 rules and regulations pursuant to subsection a. of this section and
38 may be amended, adopted, or readopted by the commissioner in
39 accordance with the requirements of P.L.1968, c.410 (C.52:14B-
40 1 et seq.).

41 c. No later than ¹**[90] 180**¹ days after the effective date of
42 P.L. , c. (C.) (pending before the Legislature as this bill),
43 the ¹**[executive director] commission**¹ shall promulgate rules and
44 regulations to effectuate the purposes of P.L. , c. (C.)

1 (pending before the Legislature as this bill). Rules and regulations
2 adopted pursuant to this subsection shall, at a minimum:

3 (1) Specify the number of new medical cannabis cultivator,
4 medical cannabis manufacturer, ¹medical cannabis wholesaler,¹ and
5 medical cannabis dispensary permits the commission will issue in
6 the first year next following the effective date of P.L. , c.
7 (C.) (pending before the Legislature as this bill); and

8 (2) Establish recommended dosage guidelines for medical
9 cannabis in each form available to qualifying patients that are
10 equivalent to one ounce of medical cannabis in dried form. The
11 ¹[executive director] commission¹ shall periodically review and
12 update the dosage guidelines as appropriate, including to establish
13 dosage guidelines for new forms of medical cannabis that become
14 available.

15 ¹d. The commission may convene a task force comprised of
16 individuals with expertise in matters pertaining to the medical
17 cannabis industry to make recommendations to the commission
18 concerning the content of rules and regulations adopted by the
19 commission to implement the provisions of P.L.2009, c.307
20 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
21 Legislature as this bill).¹

22 (cf: P.L.2009, c.307, s.18)

23

24 24. (New section) a. Each batch of medical cannabis cultivated
25 by a medical cannabis cultivator or a clinical registrant and each
26 batch of a medical cannabis product produced by a medical
27 cannabis manufacturer or a clinical registrant shall be tested in
28 accordance with the requirements of section 26 of
29 P.L. , c. (C.) (pending before the Legislature as this bill) by
30 a laboratory licensed pursuant to section 25 of P.L. , c. (C.)
31 (pending before the Legislature as this bill). The laboratory
32 performing the testing shall produce a written report detailing the
33 results of the testing, a summary of which shall be included in any
34 packaging materials for medical cannabis and medical cannabis
35 products dispensed to qualifying patients and their designated and
36 institutional caregivers. The laboratory may charge a reasonable
37 fee for any test performed pursuant to this section.

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

1 25. (New section) a. A laboratory that performs testing services
2 pursuant to section 24 of P.L. , c. (C.) (pending before the
3 Legislature as this bill) shall be licensed by the commission and may
4 be subject to inspection by the commission to determine the condition
5 and calibration of any equipment used for testing purposes and to
6 ensure that testing is being performed in accordance with the
7 requirements of section 26 of P.L. , c. (C.) (pending before the
8 Legislature as this bill). ²Each applicant for licensure pursuant to this
9 section shall submit an attestation signed by a bona fide labor
10 organization stating that the applicant has entered into a labor peace
11 agreement with such bona fide labor organization. The maintenance
12 of a labor peace agreement with a bona fide labor organization shall be
13 an ongoing material condition of maintaining a license to test medical
14 cannabis.²

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

17 c. A person who has been convicted of a crime involving any
18 controlled dangerous substance or controlled substance analog as set
19 forth in chapter 35 of Title 2C of the New Jersey Statutes except
20 paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of
21 the United States or any other state shall not be issued a license to
22 operate as or be a director, officer, or employee of a medical cannabis
23 testing laboratory, unless such conviction occurred after the effective
24 date of P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of
25 federal law relating to possession or sale of cannabis for conduct that
26 is authorized under P.L.2009, c.307 (C.24:6I-1 et al.) ¹**[,]**
27 or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**[, or**
28 P.L. , c. (C.) (pending before the Legislature as this bill)]¹.

29 d. (1) The ¹**[executive director] commission**¹ shall require each
30 applicant for licensure as a medical cannabis testing laboratory to
31 undergo a criminal history record background check, except that no
32 criminal history record background check shall be required for an
33 applicant who completed a criminal history record background check
34 as a condition of professional licensure or certification.

35 For purposes of this section, the term "applicant" shall include any
36 owner, director, officer, or employee of a medical cannabis testing
37 laboratory. The ¹**[executive director] commission**¹ is authorized to
38 exchange fingerprint data with and receive criminal history record
39 background information from the Division of State Police and the
40 Federal Bureau of Investigation consistent with the provisions of
41 applicable federal and State laws, rules, and regulations. The Division
42 of State Police shall forward criminal history record background
43 information to the ¹**[executive director] commission**¹ in a timely
44 manner when requested pursuant to the provisions of this section.

1 An applicant who is required to undergo a criminal history record
2 background check pursuant to this section shall submit to being
3 fingerprinted in accordance with applicable State and federal laws,
4 rules, and regulations. No check of criminal history record
5 background information shall be performed pursuant to this section
6 unless the applicant has furnished the applicant's written consent to
7 that check. An applicant who is required to undergo a criminal history
8 record background check pursuant to this section who refuses to
9 consent to, or cooperate in, the securing of a check of criminal history
10 record background information shall not be considered for a license to
11 operate, or authorization to be employed at, a medical cannabis testing
12 laboratory. An applicant shall bear the cost for the criminal history
13 record background check, including all costs of administering and
14 processing the check.

15 (2) The ¹executive director commission¹ shall not approve an
16 applicant for a license to operate, or authorization to be employed at, a
17 medical cannabis testing laboratory if the criminal history record
18 background information of the applicant reveals a disqualifying
19 conviction as set forth in subsection c. of this section.

20 (3) Upon receipt of the criminal history record background
21 information from the Division of State Police and the Federal Bureau
22 of Investigation, the ¹executive director commission¹ shall provide
23 written notification to the applicant of the applicant's qualification for
24 or disqualification for a permit to operate or be a director, officer, or
25 employee of a medical cannabis testing laboratory.

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

30 (4) The Division of State Police shall promptly notify the
31 ¹executive director commission¹ in the event that an individual who
32 was the subject of a criminal history record background check
33 conducted pursuant to this section is convicted of a crime or offense in
34 this State after the date the background check was performed. Upon
35 receipt of that notification, the ¹executive director commission¹
36 shall make a determination regarding the continued eligibility to
37 operate or be a director, officer, or employee of a medical cannabis
38 testing laboratory.

39 (5) Notwithstanding the provisions of subsection c. of this section
40 to the contrary, the ¹executive director commission¹ may offer
41 provisional authority for an applicant to be an owner, director, officer,
42 or employee of a medical cannabis testing laboratory for a period not
43 to exceed three months if the applicant submits to the ¹executive
44 director commission¹ a sworn statement attesting that the person has

1 not been convicted of any disqualifying conviction pursuant to this
2 section.

3 (6) Notwithstanding the provisions of subsection c. of this section
4 to the contrary, no applicant to be an owner, director, officer, or
5 employee of a medical cannabis testing laboratory shall be disqualified
6 on the basis of any conviction disclosed by a criminal history record
7 background check conducted pursuant to this section if the individual
8 has affirmatively demonstrated to the ¹[executive director]
9 commission¹ clear and convincing evidence of rehabilitation. In
10 determining whether clear and convincing evidence of rehabilitation
11 has been demonstrated, the following factors shall be considered:

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

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

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

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

17 (e) the age of the individual when the crime or offense was
18 committed;

19 (f) whether the crime or offense was an isolated or repeated
20 incident;

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

23 (h) any evidence of rehabilitation, including good conduct in
24 prison or in the community, counseling or psychiatric treatment
25 received, acquisition of additional academic or vocational schooling,
26 successful participation in correctional work-release programs, or the
27 recommendation of those who have had the individual under their
28 supervision.

29

30 26. (New section) a. The commission shall establish, by
31 regulation, standardized requirements and procedures for testing
32 medical cannabis and medical cannabis products.

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

37 (1) microbial contamination;

38 (2) foreign material;

39 (3) residual pesticides;

40 (4) other agricultural residue and residual solvents; and

41 (5) heavy metals.

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

1 d. As a condition of licensure, each laboratory shall certify its
2 intention to seek third party accreditation in accordance with ISO
3 17025 standards in order to ensure equipment is routinely inspected,
4 calibrated, and maintained until such time as the commission issues
5 its own standards or confirms the use of ISO 17025.

6 e. Until such time as the commission establishes the standards
7 required by this section, a licensed laboratory shall utilize the
8 testing standards established by another state with a medical
9 cannabis program, which state shall be designated by the
10 **1[executive director] commission¹**.

11

12 ¹27. (New section) a. An individual who performs work for or
13 on behalf of a medical cannabis cultivator, medical cannabis
14 manufacturer, medical cannabis wholesaler, or medical cannabis
15 dispensary, issued a permit pursuant to section 7 of P.L.2009, c.307
16 (C.24:6I-7), a clinical registrant issued a permit pursuant to section
17 13 of P.L. , c. (C.) (pending before the Legislature as
18 this bill), or a testing laboratory licensed pursuant to section 25 of
19 P.L. , c. (C.) (pending before the Legislature as this bill)
20 shall hold a valid medical cannabis handler certification issued by
21 the commission pursuant to this section if the individual participates
22 in any activity involving obtaining, possessing, cultivating,
23 processing, manufacturing, creating, testing, transporting,
24 transferring, relocating, reselling, warehousing, dispensing, or
25 delivering medical cannabis.

26 b. An entity issued a permit pursuant to section 7 of P.L.2009,
27 c.307 (C.24:6I-7) or section 13 of P.L. , c. (C.) (pending
28 before the Legislature as this bill) or a license pursuant to section
29 25 of P.L. , c. (C.) (pending before the Legislature as this
30 bill) shall verify that, before allowing any individual to perform any
31 work described in subsection a. of this section at the premises for
32 which the permit has been issued, the individual holds a valid
33 medical cannabis handler certification issued pursuant to this
34 section.

35 c. The commission shall issue medical cannabis handler
36 certifications to qualified applicants to perform work described in
37 subsection a. of this section. The commission shall adopt rules and
38 regulations establishing: the qualifications for performing work
39 described in subsection a. of this section; the terms of a medical
40 cannabis handler certification issued pursuant to this section;
41 procedures for applying for and renewing a medical cannabis
42 handler certification issued pursuant to this section; and reasonable
43 application, issuance, and renewal fees for a medical cannabis
44 handler certification issued pursuant to this section.

1 d. The commission may require an individual applying for a
2 medical cannabis handler certification under this section to
3 successfully complete a course, to be made available by or through
4 the commission, in which the individual receives training on:
5 verifying the registration status of patients, designated caregivers,
6 and institutional caregivers; handling medical cannabis; statutory
7 and regulatory provisions relating to medical cannabis; and any
8 matter deemed necessary by the commission to protect the public
9 health and safety. The commission or other provider may charge a
10 reasonable fee for the course.

11 The commission shall not require an individual to successfully
12 complete the course required pursuant to this subsection more than
13 once, except that the commission may adopt regulations directing
14 continuing education training on a prescribed schedule. The course
15 may comprise part of the eight hours of training required for
16 employees of medical cannabis cultivators, medical cannabis
17 manufacturers, medical cannabis wholesalers, medical cannabis
18 dispensaries, and clinical registrants pursuant to paragraph (1) of
19 subsection j. of section 7 of P.L.2009, c.307 (C.24:6I-7).

20 As part of a final order suspending a medical cannabis handler
21 certification issued pursuant to this section, the commission may
22 require the holder of a medical cannabis handler certification to
23 successfully complete the course described in this subsection as a
24 condition of lifting the suspension; and as part of a final order
25 revoking a medical cannabis handler certification issued pursuant to
26 this section, the commission shall require an individual to
27 successfully complete the course described in this subsection prior
28 to applying for a new medical cannabis handler certification.

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

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

43 g. A medical cannabis handler certification issued pursuant to
44 this section is a personal privilege and permits work described in
45 subsection a. of this section only for the individual who holds the
46 certification.

1 h. The commission shall enact rules and regulations governing
2 the transfer of medical cannabis and medical cannabis products
3 between medical cannabis cultivators, medical cannabis
4 manufacturers, medical cannabis wholesalers, medical cannabis
5 dispensaries, clinical registrants, and testing laboratories, which
6 regulations shall require, at a minimum:

7 (1) Transfer of medical cannabis and medical cannabis products
8 shall be made directly to the medical cannabis cultivator, medical
9 cannabis manufacturer, medical cannabis wholesaler, medical
10 cannabis dispensary, clinical registrant, or testing laboratory
11 receiving the medical cannabis or medical cannabis product.

12 (2) Transfers shall be performed by a medical cannabis handler
13 who is certified by the department to perform transfers and is at
14 least 18 years of age. Transfers of medical cannabis may be
15 performed by a medical cannabis handler who is an employee of the
16 medical cannabis cultivator, medical cannabis manufacturer,
17 medical cannabis wholesaler, medical cannabis dispensary, or
18 clinical registrant providing or receiving the transfer or by an
19 independent third party who has entered into a contract with a
20 medical cannabis cultivator, medical cannabis manufacturer,
21 medical cannabis wholesaler, medical cannabis dispensary, or
22 clinical registrant to perform transfers of medical cannabis, which
23 contract may provide for a one-time transfer of medical cannabis or
24 for ongoing transfers of medical cannabis. A medical cannabis
25 handler holding a transfer certification issued by the commission
26 may simultaneously hold a delivery certification issued by the
27 commission, subject to the requirements of paragraph (2) of
28 subsection i. of this section.

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

32 (4) All transfers of medical cannabis shall be made in person. A
33 transfer of medical cannabis shall not be made through the use of an
34 unmanned vehicle.

35 (5) Each certified medical cannabis handler shall carry a copy of
36 the individual's medical cannabis handler certification card and
37 transfer certification card when performing a transfer. The medical
38 cannabis handler shall present the certification cards upon request
39 to State and local law enforcement and to State and local regulatory
40 authorities and agencies.

41 (6) Each certified medical cannabis handler engaged in a
42 transfer of medical cannabis shall have access to a secure form of
43 communication with the medical cannabis cultivator, medical
44 cannabis manufacturer, medical cannabis wholesaler, medical
45 cannabis dispensary, or clinical registrant that furnished the medical
46 cannabis to the handler for transfer, such as a cellular telephone, at

1 all times that the handler is in possession of medical cannabis for
2 transfer.

3 (7) During transfer, the certified medical cannabis handler shall
4 maintain a physical or electronic copy of the transfer order, and
5 shall make it available upon request to State and local law
6 enforcement and to State and local regulatory authorities and
7 agencies.

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

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

14 (10) A transfer vehicle shall contain a Global Positioning
15 System (GPS) device for identifying the geographic location of the
16 vehicle. The device shall be either permanently or temporarily
17 affixed to the vehicle while the vehicle is in operation, and the
18 device shall remain active and in the possession of the certified
19 medical cannabis handler at all times while the vehicle is being
20 used for the transfer of medical cannabis. At all times, the medical
21 cannabis cultivator, medical cannabis manufacturer, medical
22 cannabis wholesaler, medical cannabis dispensary, or clinical
23 registrant that furnished the medical cannabis to the handler for
24 transfer shall be able to identify the geographic location of all
25 vehicles that are making transfers for that entity and shall provide
26 that information to the commission upon request.

27 (11) Each entity that employs a medical cannabis handler
28 certified to perform transfers of medical cannabis shall provide the
29 commission with current information concerning all vehicles
30 utilized for medical cannabis transfers, including each vehicle's
31 make, model, color, Vehicle Identification Number, license plate
32 number, and vehicle registration.

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

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

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

45 (15) While performing transfers of medical cannabis, a certified
46 medical cannabis handler shall only travel from the premises of the

1 medical cannabis cultivator, medical cannabis manufacturer,
2 medical cannabis wholesaler, medical cannabis dispensary, or
3 clinical registrant furnishing the medical cannabis to the transfer
4 address; from one transfer address to another transfer address; from
5 a testing laboratory back to the medical cannabis cultivator, medical
6 cannabis manufacturer, or clinical registrant that furnished the
7 medical cannabis for testing purposes, or from a transfer address
8 back to the premises of the medical cannabis handler's employer. A
9 medical cannabis handler shall not deviate from the route described
10 in this paragraph, except in the event of emergency or as necessary
11 for rest, fuel, or vehicle repair stops, or because road conditions
12 make continued use of the route or operation of the vehicle unsafe,
13 impossible, or impracticable.

14 (16) The process of transfer shall begin when the certified
15 medical cannabis handler leaves the premises of the medical
16 cannabis cultivator, medical cannabis manufacturer, medical
17 cannabis wholesaler, medical cannabis dispensary, clinical
18 registrant, or testing laboratory with medical cannabis for transfer.
19 The process of transferring medical cannabis ends when the medical
20 cannabis handler returns to the premises of the medical cannabis
21 handler's employer after completing the transfer.

22 (17) Each medical cannabis handler performing transfers of
23 medical cannabis shall maintain a record of each transfer in a log,
24 which may be written or electronic. For each transfer, the log shall
25 record:

- 26 (a) The date and time that the transfer began and ended;
27 (b) The handler's name, medical cannabis handler certification
28 number, and medical cannabis transfer certification number;
29 (c) The tracking number of the medical cannabis; and
30 (d) The signature and employee identification number of the
31 employee accepting the transfer.

32 (18) A medical cannabis handler shall report any vehicle
33 accidents, diversions, losses, or other reportable events that occur
34 during transfer of medical cannabis to the appropriate State and
35 local authorities, including the commission. A medical cannabis
36 cultivator, medical cannabis manufacturer, medical cannabis
37 wholesaler, medical cannabis dispensary, or clinical registrant
38 furnishing medical cannabis for transfer or accepting the transfer of
39 medical cannabis shall have no criminal liability for any vehicle
40 accidents, diversions, losses, or other reportable events that occur
41 during the transfer.

42 i. The commission shall enact rules and regulations governing
43 the delivery of medical cannabis, including medical cannabis
44 products, to a registered qualifying patient, designated caregiver, or
45 institutional caregiver by a medical cannabis dispensary, which
46 regulations shall require, at a minimum:

1 (1) Delivery of medical cannabis shall only be made to a
2 registered qualifying patient at the patient's home or secondary
3 address, to the patient's designated caregiver at the caregiver's
4 home address, or directly to the patient's institutional caregiver at
5 the health care facility where the patient is a current patient or
6 resident; except that the commission shall establish a process for
7 registered qualifying patients to request delivery directly to the
8 patient at an alternate address in cases of need.

9 (2) Deliveries shall be performed by a medical cannabis handler
10 who is certified by the department to perform deliveries, is at least
11 18 years of age, is not employed by any medical cannabis
12 cultivator, medical cannabis manufacturer, medical cannabis
13 wholesaler, medical cannabis dispensary, or clinical registrant or by
14 an owner, officer, director, or significantly involved person in a
15 medical cannabis cultivator, medical cannabis manufacturer,
16 medical cannabis wholesaler, medical cannabis dispensary, or
17 clinical registrant, and has entered into a contract with a medical
18 cannabis dispensary or clinical registrant to perform deliveries of
19 medical cannabis, which contract may provide for a one-time
20 delivery or for ongoing deliveries of medical cannabis. A medical
21 cannabis handler holding a delivery certification issued by the
22 commission may simultaneously hold a transfer certification issued
23 by the commission.

24 (3) Medical cannabis shall not be delivered to an address located
25 on land owned by the federal government or any address on land or
26 in a building leased by the federal government.

27 (4) All deliveries of medical cannabis shall be made in person.
28 Delivery of medical cannabis shall not be made through the use of
29 an unmanned vehicle.

30 (5) Each certified medical cannabis handler shall carry a copy of
31 the individual's medical cannabis handler certification card and
32 delivery certification card when performing a delivery of medical
33 cannabis. The medical cannabis handler shall present the
34 certification cards upon request to State and local law enforcement
35 and to State and local regulatory authorities and agencies.

36 (6) Each certified medical cannabis handler engaged in a
37 delivery of medical cannabis shall have access to a secure form of
38 communication with the medical cannabis dispensary or clinical
39 registrant that furnished the medical cannabis to the handler for
40 delivery, such as a cellular telephone, at all times that the handler is
41 in possession of medical cannabis for delivery.

42 (7) During delivery, the certified medical cannabis handler shall
43 maintain a physical or electronic copy of the delivery request, and
44 shall make it available upon request to State and local law
45 enforcement and to State and local regulatory authorities and
46 agencies.

1 (8) Delivery vehicles shall be equipped with a secure lockbox in
2 a secured cargo area, which shall be used for the sanitary and secure
3 transport of medical cannabis.

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

7 (10) A delivery vehicle shall contain a Global Positioning
8 System (GPS) device for identifying the geographic location of the
9 vehicle. The device shall be either permanently or temporarily
10 affixed to the vehicle while the vehicle is in operation, and the
11 device shall remain active and in the possession of the certified
12 medical cannabis handler at all times during which the vehicle is
13 engaged in the delivery of medical cannabis. At all times, the
14 medical cannabis dispensary or clinical registrant that furnished the
15 medical cannabis to the handler for delivery shall be able to identify
16 the geographic location of all vehicles that are making deliveries for
17 that entity and shall provide that information to the commission
18 upon request.

19 (11) Each entity that employs a medical cannabis handler
20 certified to deliver medical cannabis shall provide the commission
21 with current information concerning all vehicles utilized for
22 medical cannabis deliveries, including each vehicle's make, model,
23 color, Vehicle Identification Number, license plate number, and
24 vehicle registration.

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

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

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

35 (15) While performing deliveries of medical cannabis, a certified
36 medical cannabis handler shall only travel from the premises of the
37 medical cannabis dispensary or clinical registrant furnishing the
38 medical cannabis to the delivery address; from one delivery address
39 to another delivery address; or from a delivery address back to the
40 premises of the medical cannabis handler's employer. A medical
41 cannabis handler shall not deviate from the route described in this
42 paragraph, except in the event of emergency or as necessary for
43 rest, fuel, or vehicle repair stops, or because road conditions make
44 continued use of the route or operation of the vehicle unsafe,
45 impossible, or impracticable.

1 (16) The process of delivery shall begin when the certified
2 medical cannabis handler leaves the premises of the medical
3 cannabis dispensary or clinical registrant with medical cannabis for
4 delivery. The process of delivering medical cannabis ends when the
5 medical cannabis handler returns to the premises of the medical
6 cannabis handler's employer after completing the delivery.

7 (17) Each medical cannabis handler performing deliveries of
8 medical cannabis shall maintain a record of each delivery in a log,
9 which may be written or electronic. For each delivery, the log shall
10 record:

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

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

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

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

17 (18) A medical cannabis handler shall report any vehicle
18 accidents, diversions, losses, or other reportable events that occur
19 during delivery of medical cannabis to the appropriate State and
20 local authorities, including the commission. A medical cannabis
21 cultivator, medical cannabis manufacturer, medical cannabis
22 wholesaler, medical cannabis dispensary, or clinical registrant
23 furnishing medical cannabis for delivery shall have no civil or
24 criminal liability for any vehicle accidents, diversions, losses, or
25 other reportable events that occur during delivery after such time as
26 the cultivator, manufacturer, wholesaler, dispensary, or clinical
27 registrant, as applicable, furnishes medical cannabis to the medical
28 cannabis handler making the delivery.

29 (19) Subject to the requirements of paragraph (2) of this
30 subsection, a medical cannabis dispensary or clinical registrant shall
31 be authorized to use any medical cannabis handler for the purposes
32 of delivering medical cannabis, and, subject to the requirements of
33 paragraph (2) of this subsection, a medical cannabis handler
34 possessing a delivery certification shall be authorized to provide
35 medical cannabis transport services to any medical cannabis
36 dispensary or clinical registrant.

37 j. Medical cannabis may be transferred or delivered, consistent
38 with the requirements of subsections h. and i. of this section,
39 respectively, to any location in the State. In no case may a
40 municipality restrict transfers or deliveries of medical cannabis
41 within that municipality by adoption of municipal ordinance or any
42 other measure, and any restriction to the contrary shall be deemed
43 void and unenforceable.

44 k. The commission may authorize the use of an Internet-based
45 web service developed and maintained by an independent third
46 party entity that does not hold any permit, license, or certificate

1 issued pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), and is not a
2 significantly involved person or other investor in any permit holder,
3 which web service may be used by registered qualifying patients,
4 designated caregivers, and institutional caregivers to request or
5 schedule deliveries of medical cannabis pursuant to subsection i. of
6 this section.¹

7
8 ¹28. (New section) a. A municipality may authorize, through
9 the enactment of an ordinance, the operation of locally endorsed
10 medical cannabis consumption areas by medical cannabis
11 dispensaries and clinical registrants within its jurisdiction, at which
12 areas the on-premises consumption of medical cannabis may occur.

13 b. Applications for an endorsement pursuant to this section
14 shall be made to the commission in a form and manner as shall be
15 prescribed the commission and shall set forth such information as
16 the commission may require. Each application shall be verified by
17 the oath or affirmation of such persons as the commission may
18 prescribe. The endorsement shall be conditioned upon approval by
19 a municipality. An applicant is prohibited from operating a
20 cannabis consumption area without State and local approval. If the
21 applicant does not receive approval from the municipality within
22 one year after the date of State approval, the State endorsement
23 shall expire and may not be renewed. If an application is denied by
24 the municipality or the approval of the municipality is revoked, the
25 commission shall revoke the State endorsement. Any person
26 aggrieved by the local denial of an endorsement application may
27 request a hearing in the Superior Court of the county in which the
28 application was filed. The request for a hearing shall be filed
29 within 30 days after the date the application was denied. The
30 person shall serve a copy of the person's request for a hearing upon
31 the appropriate officer for the municipality that denied the
32 application. The hearing shall be held and a record made thereof
33 within 30 days after the receipt of the application for a hearing. No
34 formal pleading and no filing fee shall be required for the hearing.

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

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

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

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

4 (c) the premises have been operated in a manner that adversely
5 affects the public health or the safety of the immediate
6 neighborhood in which the medical cannabis consumption area is
7 located.

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

13 d. A medical cannabis consumption area endorsement shall be
14 valid for one year and may be renewed annually, subject to the
15 approval of the commission and the municipality as set forth in this
16 section. The commission shall establish by rule the amount of the
17 application fee and renewal fee for the endorsement, which shall not
18 exceed the administrative cost for processing and reviewing the
19 application.

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

23 f. A medical cannabis consumption area shall be located on the
24 premises of a medical cannabis dispensary or clinical registrant,
25 may be indoors or outdoors, and shall be designated by conspicuous
26 signage.

27 (1) An indoor medical cannabis consumption area shall be a
28 structurally enclosed area within a medical cannabis dispensary or
29 clinical registrant facility that is separated by solid walls or
30 windows from the area in which medical cannabis is dispensed and
31 shall only be accessible through an interior door after first entering
32 the facility.

33 (2) An outdoor medical cannabis consumption area shall be an
34 exterior structure on the same premises as the medical cannabis
35 dispensary or clinical registrant facility, that is either separate from
36 or connected to the facility, and that is not required to be
37 completely enclosed, but shall have sufficient walls, fences, or other
38 barriers to prevent any view of patients consuming medical
39 cannabis from any sidewalk or other pedestrian or non-motorist
40 right-of-way, as the case may be, within the consumption area.

41 (3) Nothing in this subsection shall be construed to authorize the
42 consumption of medical cannabis by smoking in any indoor public
43 place or workplace, as those terms are defined in subsection 3 of
44 P.L.2005, c.383 (C.26:3D-57), and the medical cannabis dispensary
45 or clinical registrant operating the consumption area shall ensure
46 that any smoking of medical cannabis that occurs in an outdoor

1 medical cannabis consumption area does not result in migration,
2 seepage, or recirculation of smoke to any indoor public place or
3 workplace. The commission may require a consumption area to
4 include any ventilation features as the commission deems necessary
5 and appropriate.

6 g. (1) A medical cannabis dispensary or clinical registrant
7 holding a medical cannabis consumption area endorsement, and the
8 employees of the dispensary or clinical registrant, subject to any
9 regulations for medical cannabis consumption areas promulgated by
10 the commission, may permit a person to bring medical cannabis into
11 a medical cannabis consumption area.

12 (2) A medical cannabis dispensary or clinical registrant holding
13 a medical cannabis consumption area endorsement shall not sell
14 alcohol, including fermented malt beverages or malt, vinous, or
15 spirituous liquor, sell tobacco or nicotine products, or allow the
16 consumption of alcohol, tobacco, or nicotine products on premises,
17 or operate as a retail food establishment.

18 (3) A medical cannabis dispensary or clinical registrant holding
19 a medical cannabis consumption area endorsement shall not allow
20 on-duty employees of the establishment to consume any medical
21 cannabis in the consumption area.

22 h. Access to a medical cannabis consumption area shall be
23 restricted to employees of the medical cannabis dispensary or
24 clinical registrant and to registered qualified patients and their
25 designated caregivers.

26 i. When a patient leaves a medical cannabis consumption area,
27 the establishment shall ensure any remaining unconsumed medical
28 cannabis that is not taken by the patient or the patient's designated
29 caregiver is destroyed.

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

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

33 (2) may remove an individual from the establishment for any
34 reason;

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

37 (4) shall not permit rowdiness, undue noise, or other
38 disturbances or activity offensive to the average citizen or to the
39 residents of the neighborhood in which the consumption area is
40 located.

41 k. If an emergency requires law enforcement, firefighters,
42 emergency medical services providers, or other public safety
43 personnel to enter a medical cannabis consumption area, employees
44 of the establishment shall prohibit on-site consumption of medical

1 cannabis until such personnel have completed their investigation or
2 services and have left the premises.¹

3
4 ¹29.(New section) a. (1) The commission shall develop and
5 maintain a system for tracking the cultivation of medical cannabis,
6 the manufacturing of medical cannabis products, the transfer of
7 medical cannabis and medical cannabis products between medical
8 cannabis cultivators, medical cannabis manufacturers, medical
9 cannabis wholesalers, medical cannabis dispensaries, clinical
10 registrants, and testing laboratories as authorized pursuant to
11 paragraph (5) of subsection a. of section 7 of P.L.2009, c.307
12 (C.24:6I-7) and subsection h. of section 27 of P.L. , c. (C.)
13 (pending before the Legislature as this bill), and the dispensing or
14 delivery of medical cannabis to registered qualifying patients,
15 designated caregivers, and institutional caregivers.

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

21 (a) The commission, in consultation with the Director of the
22 Division of Taxation, shall secure stamps based on the designs,
23 specifications, and denominations prescribed by the commission in
24 regulation, and which incorporate encryption, security, and
25 counterfeit-resistant features to prevent the unauthorized
26 duplication or counterfeiting of any stamp. The stamp shall be
27 readable by a scanner or similar device that may be used by the
28 commission, the Director of the Division of Taxation, and medical
29 cannabis cultivators, medical cannabis manufacturers, medical
30 cannabis wholesalers, medical cannabis dispensaries, or clinical
31 registrants.

32 (b) The commission, and the Director of the Division of
33 Taxation if authorized by the commission, shall make stamps
34 available for purchase by medical cannabis cultivators, medical
35 cannabis manufacturers, and clinical registrants, which shall be the
36 only entities authorized to affix a stamp to a container or package
37 for medical cannabis in accordance with applicable regulations
38 promulgated by the commission in consultation with the Director of
39 the Division of Taxation.

40 (c) A medical cannabis cultivator, medical cannabis
41 manufacturer, medical cannabis wholesaler, medical cannabis
42 dispensary, clinical registrant, or certified medical cannabis handler
43 shall not purchase, sell, offer for sale, transfer, transport, or deliver
44 any medical cannabis unless a stamp is properly affixed to the
45 container or package for the medical cannabis.

- 1 b. The purposes of the system developed and maintained under
2 this section include, but are not limited to:
- 3 (1) preventing the diversion of medical cannabis to criminal
4 enterprises, gangs, cartels, persons not authorized to possess
5 medical cannabis, and other states;
- 6 (2) preventing persons from substituting or tampering with
7 medical cannabis;
- 8 (3) ensuring an accurate accounting of the cultivation,
9 manufacturing, transferring, resale, warehousing, dispensing, and
10 delivery of medical cannabis;
- 11 (4) ensuring that the testing results from licensed testing
12 laboratories are accurately reported; and
- 13 (5) ensuring compliance with the rules and regulations adopted
14 by the commission and any other law of this State that charges the
15 commission with a duty, function, or power related to medical
16 cannabis.
- 17 c. The system developed and maintained under this section
18 shall be capable of tracking, at a minimum:
- 19 (1) the propagation of immature medical cannabis plants and the
20 production of medical cannabis by a medical cannabis cultivator;
- 21 (2) the utilization of medical cannabis in the manufacture,
22 production, and creation of medical cannabis products by a medical
23 cannabis manufacturer;
- 24 (3) the receiving, warehousing, resale, and delivering of medical
25 cannabis by a medical cannabis wholesaler;
- 26 (4) the transfer of medical cannabis and medical cannabis
27 products to and from licensed testing laboratories for testing
28 purposes;
- 29 (5) the dispensing of medical cannabis by a medical cannabis
30 dispensary or clinical registrant;
- 31 (6) the furnishing of medical cannabis by a medical cannabis
32 dispensary or clinical registrant to a medical cannabis handler for
33 delivery;
- 34 (7) the delivery of medical cannabis by a medical cannabis
35 handler;
- 36 (8) the purchase, sale, or other transfer of medical cannabis and
37 medical cannabis products between medical cannabis cultivators,
38 medical cannabis manufacturers, medical cannabis wholesalers,
39 medical cannabis dispensaries, and clinical registrants as authorized
40 pursuant to paragraph (5) of subsection a. of section 7 of P.L.2009,
41 c.307 (C.24:6I-7) and subsection h. of section 27 of
42 P.L. , c. (C.) (pending before the Legislature as this bill);
43 and

1 (9) any other information that the commission determines is
2 reasonably necessary to accomplish the duties, functions, and
3 powers of the commission.¹

4
5 ¹**[27.] 30.**¹ (New section) The ¹**[executive director]**
6 **commission**¹ may waive any requirement of P.L.2009, c.307
7 (C.24:6I-1 et al.) ¹**[or P.L. , c. (C.) (pending before the**
8 **Legislature as this bill)]**¹ if the ¹**[executive director]** **commission**¹
9 determines that granting the waiver is necessary to achieve the
10 purposes of P.L.2009, c.307 (C.24:6I-1 et al.) ¹**[and P.L. , c.**
11 **(C.) (pending before the Legislature as this bill)]**¹ and provide
12 access to patients who would not otherwise qualify for the medical
13 use of cannabis to alleviate suffering from a diagnosed medical
14 condition, and does not create a danger to the public health, safety,
15 or welfare.

16
17 ¹**[28.** (New section) All powers, duties, and responsibilities
18 with regard to the regulation and oversight of activities authorized
19 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and
20 P.L. , c. (C.) (pending before the Legislature as this bill)
21 shall be transferred from the Department of Health to the Cannabis
22 Regulatory Commission established pursuant to section 7 of
23 P.L. , c. (C.) (pending before the Legislature as Senate Bill
24 No. 2703) at such time as the members of the Cannabis Regulatory
25 Commission are appointed and the commission first organizes. Any
26 reference to the Department of Health or the Commissioner of
27 Health in any statute or regulation pertaining to the provisions of
28 P.L.2009, c.307 (C.24:6I-1 et al.) or P.L. , c. (C.) (pending
29 before the Legislature as this bill) shall be deemed to refer to the
30 Cannabis Regulatory Commission and the Executive Director of the
31 Cannabis Regulatory Commission, respectively. The provisions of
32 this section shall be carried out in accordance with the “State
33 Agency Transfer Act,” P.L.1971, c.375 (C.52:14D-1 et seq.).]¹

34
35 ¹**[31.** (New section) a. The Cannabis Regulatory Commission is
36 hereby created in, but not of, the Department of the Treasury, to
37 assume all powers, duties, and responsibilities with regard to the
38 regulation and oversight of activities authorized pursuant to
39 P.L.2009, c.307 (C.24:6I-1 et al.) from the Department of Health
40 for the further development, expansion, regulation, and enforcement
41 of activities associated with the medical use of cannabis pursuant
42 P.L.2009, c.307 (C.24:6I-1 et al.). All powers, duties, and
43 responsibilities with regard to the regulation and oversight of
44 activities authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
45 shall be transferred from the Department of Health to the Cannabis

1 Regulatory Commission at such time as the members of the
2 commission are appointed as provided in subsection b. of this
3 section and the commission first organizes. Thereafter, any
4 reference to the Department of Health or the Commissioner of
5 Health in any statute or regulation pertaining to the provisions of
6 P.L.2009, c.307 (C.24:6I-1 et al.) shall be deemed to refer to the
7 Cannabis Regulatory Commission. The provisions of this
8 subsection shall be carried out in accordance with the “State
9 Agency Transfer Act,” P.L.1971, c.375 (C.52:14D-1 et seq.).

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

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

16 (a) One member shall be appointed upon recommendation of the
17 Senate President;

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

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

22 (3) Initial appointments of commission members pursuant to
23 paragraph (2) of this subsection shall not require the advice and
24 consent of the Senate. Subsequent appointments made pursuant to
25 subparagraph (c) of paragraph (2) of this subsection, including
26 reappointments of members initially appointed, shall be made with
27 the advice and consent of the Senate. Subsequent appointments
28 made pursuant to subparagraphs (a) and (b) of paragraph (2) of this
29 subsection shall be made in the same manner as the original
30 appointment.

31 (4) All five members shall be residents of this State. At least
32 one member shall be a State representative of a national
33 organization or State branch of a national organization with a stated
34 mission of studying, advocating, or adjudicating against minority
35 historical oppression, past and present discrimination,
36 unemployment, poverty and income inequality, and other forms of
37 social injustice or inequality, and all five members shall possess
38 education, training, or experience with legal, policy, or criminal
39 justice issues, corporate or industry management, finance,
40 securities, or production or distribution, medicine or pharmacology,
41 or public health, mental health, or substance use disorders.

42 (5) The chair and the other members shall serve for terms of five
43 years; provided that, for the two other members initially appointed
44 by the Governor without any needed recommendation, one shall be
45 appointed for a term of four years, and one shall be appointed for a
46 term of three years. The chair and the other members shall serve in

1 their respective capacities throughout their entire term and until
2 their successors shall have been duly appointed and qualified. Any
3 vacancy in the commission occurring for any reason other than the
4 expiration of a term, including a vacancy occurring during the term
5 of the initial chair or another initial member, shall be filled in
6 accordance with the requirements for subsequent appointments set
7 forth in paragraph (3) of this subsection for the remainder of the
8 unexpired term only.

9 (6) The chair and other members of the commission shall devote
10 full time to their respective duties of office and shall not pursue or
11 engage in any other business, occupation, or gainful employment.
12 Each member shall receive an annual salary to be fixed and
13 established by the Governor, which for the chair shall not exceed
14 \$141,000, and for the other members shall not exceed \$125,000.

15 (7) The members of the commission, at the commission's first
16 meeting when called by the chair, shall elect, by a majority of the
17 total authorized membership of the commission, one of the
18 members who is appointed based upon the recommendation of the
19 Senate President or Speaker of the General Assembly as set forth in
20 paragraph (2) of this subsection to serve as vice-chair during that
21 member's term. A new vice-chair shall be elected upon the
22 expiration of the current vice-chair's term, even if that member
23 remains on the commission until that member's successor is duly
24 appointed and qualified. The vice-chair shall be empowered to
25 carry out all of the responsibilities of the chair during the chair's
26 absence, disqualification, or inability to serve.

27 (8) A majority of the total authorized membership of the
28 commission shall be required to establish a quorum, and a majority
29 of the total authorized membership of the commission shall be
30 required to exercise its powers at any meeting thereof. However,
31 only if all five commissioners have been duly appointed in
32 accordance with the appointment process set forth in paragraph (2)
33 of this subsection, and five appointed commissioners are present at
34 a meeting, may a majority of the total authorized membership act to
35 assume the powers, duties, and responsibilities with regard to the
36 regulation and oversight of activities authorized pursuant to
37 P.L.2009, c.307 (C.24:6I-1 et al.) from the Department of Health.

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

40 (10) Any member of the commission may be removed from
41 office by the Governor, for cause, upon notice and opportunity to be
42 heard at a public hearing. Any member of the commission shall
43 automatically forfeit the member's office upon conviction for any
44 crime.

45 c. (1) The commission may establish, and from time to time
46 alter, a plan of organization, and employ personnel as it deems

1 necessary under the direct supervision of a full-time executive
2 director for the commission. The plan of organization shall include
3 the Office of Minority, Disabled Veterans, and Women Medical
4 Cannabis Business Development established by section 32 of
5 P.L. , c. (C.) (pending before the Legislature as this bill).

6 (a) The initial executive director shall be appointed by the
7 Governor, and thereafter every subsequent executive director shall
8 be appointed by the Governor with the advice and consent of the
9 Senate. The executive director shall serve at the pleasure of the
10 appointing Governor during the Governor's term of office and until
11 a successor has been duly appointed and qualified. Any vacancy in
12 the office occurring for any reason other than the expiration of a
13 term, including a vacancy occurring during the term of the initial
14 executive director, shall be filled for the unexpired term only in the
15 same manner as the appointment of any subsequent executive
16 director as set forth herein. The executive director shall receive an
17 annual salary to be fixed and established by the Governor, which
18 shall be at an amount not to exceed the annual salary of a member
19 of the commission not serving as chair, as set forth in paragraph (6)
20 of subsection b. of this section.

21 (b) (i) All employees of the commission under the direct
22 supervision of the executive director, except for secretarial and
23 clerical personnel, shall be in the State's unclassified service. All
24 employees shall be deemed confidential employees for the purposes
25 of the "New Jersey Employer-Employee Relations Act," P.L.1941,
26 c.100 (C.34:13A-1 et seq.).

27 (ii) If, as a result of transferring powers, duties, and
28 responsibilities with regard to the regulation and oversight of
29 activities authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
30 from the Department of Health to the commission pursuant to
31 subsection a. of this section, the commission needs to employ an
32 individual to fill a position, employees of the department who
33 performed the duties of the position to be filled shall be given a
34 one-time right of first refusal offer of employment with the
35 commission, and such employees may be removed by the
36 commission for cause or if deemed unqualified to hold the position,
37 notwithstanding any other provision of law to the contrary. A
38 department employee who becomes employed by the commission
39 shall retain as an employee of the commission the seniority, and all
40 rights related to seniority, that the employee had with the
41 department as of the last day of employment with the department;
42 provided, however, that such seniority and seniority rights shall be
43 retained only by an employee who was transferred from
44 employment with the department to employment with the
45 commission, and shall not be retained by an employee who was
46 removed from employment with the department due to layoff

1 procedures or who resigned from a position with the department
2 prior to being hired by the commission.

3 (2) The commission may sue and be sued in any court, employ
4 legal counsel to represent the commission in any proceeding to
5 which it is a party and render legal advice to the commission upon
6 its request, as well as contract for the services of other professional,
7 technical, and operational personnel and consultants as may be
8 necessary to the performance of its responsibilities.

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

12 d. With respect to the activities of the commission, neither the
13 President of the Senate or the Speaker of the General Assembly
14 shall be permitted to appear or practice or act in any capacity
15 whatsoever before the commission regarding any matter
16 whatsoever, nor shall any member of the immediate family of the
17 Governor, President of the Senate, or Speaker of the General
18 Assembly be permitted to so practice or appear in any capacity
19 whatsoever before the commission regarding any matter
20 whatsoever. As used in this subsection, "immediate family" means
21 the spouse, domestic partner, or civil union partner, and any
22 dependent child or stepchild, recognized by blood or by law, of the
23 Governor, President of the Senate, or Speaker of the General
24 Assembly, or of the spouse, domestic partner, or civil union partner
25 residing in the same household as the Governor, President of the
26 Senate, or Speaker of the General Assembly.

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

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

- 34 (1) the commission's organization;
35 (2) the commission's regulation and enforcement activities;
36 (3) the overall effectiveness of the commission as a full time
37 entity; and

38 (4) whether the regulation and oversight of medical cannabis
39 could be more effectively and efficiently managed through a
40 reorganization of the commission, consolidation of the commission
41 within the Department of Health or another Executive Branch
42 department, conversion to a part-time commission, or the transfer of
43 some or all of the commission's operations elsewhere within the
44 Executive Branch.

45 The commission shall submit the findings of the independent
46 study, along with the commission's recommendations for

1 appropriate executive, administrative, or legislative action, to the
2 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
3 19.1), to the Legislature.¹
4

5 ¹32. (New section) a. There is hereby established in the
6 commission an Office of Minority, Disabled Veterans, and Women
7 Medical Cannabis Business Development. The office shall be
8 under the immediate supervision of a director. The director of the
9 office shall be appointed by the Governor, and shall serve at the
10 pleasure of the appointing Governor during the Governor's term of
11 office and until a successor has been duly appointed and qualified.
12 Any vacancy in the directorship occurring for any reason other than
13 the expiration of the director's term of office shall be filled for the
14 unexpired term only in the same manner as the original
15 appointment. The director shall receive an annual salary as
16 provided by law which shall be at an amount not to exceed the
17 annual salary of the executive director of the commission.

18 b. (1) The office shall establish and administer, under the
19 direction of the commission, unified practices and procedures for
20 promoting participation in the medical cannabis industry by persons
21 from socially and economically disadvantaged communities,
22 including by prospective and existing ownership of minority
23 businesses and women's businesses, as these terms are defined in
24 section 2 of P.L.1986, c.195 (C.52:27H-21.18), and disabled
25 veterans' businesses as defined in section 2 of P.L.2015, c.116
26 (C.52:32-31.2), to be issued medical cannabis cultivator, medical
27 cannabis manufacturer, medical cannabis wholesaler, medical
28 cannabis dispensary, and clinical registrant permits. These unified
29 practices and procedures shall include the certification and
30 subsequent recertification at regular intervals of a business as a
31 minority or women's business, or a disabled veterans' business, in
32 accordance with eligibility criteria and a certification application
33 process established by the commission through regulation in
34 consultation with the office.

35 (2) The office shall conduct advertising and promotional
36 campaigns, and shall disseminate information to the public, to
37 increase awareness for participation in the medical cannabis
38 industry by persons from socially and economically disadvantaged
39 communities. To this end, the office shall sponsor seminars and
40 informational programs, and shall provide information on its
41 Internet website, providing practical information concerning the
42 medical cannabis industry, including information on business
43 management, marketing, and other related matters.

44 c. (1) The office shall develop, recommend, and implement
45 policies, practices, protocols, standards, and criteria designed to

1 promote the formulation of medical cannabis business entities and
2 participation in the medical cannabis industry by persons from
3 socially and economically disadvantaged communities, including by
4 promoting applications for, and the issuance of, medical cannabis
5 cultivator, medical cannabis manufacturer, medical cannabis
6 wholesaler, medical cannabis dispensary, and clinical registrant
7 permits to certified minority, women's, and disabled veterans'
8 businesses. The office shall evaluate the effectiveness of these
9 measures by considering whether the measures have resulted in new
10 medical cannabis cultivator, medical cannabis manufacturer,
11 medical cannabis wholesaler, and medical cannabis dispensary
12 permits being issued in accordance with the provisions of
13 subsection g. of section 12 of P.L. _____, c. (C. _____) (pending
14 before the Legislature as this bill).

15 (2) The office shall periodically analyze the total number of
16 permits issued by the commission as compared with the number of
17 certified minority, women's, and disabled veterans' businesses that
18 submitted applications for, and that were awarded, such permits.
19 The office shall make good faith efforts to establish, maintain, and
20 enhance the measures designed to promote the formulation and
21 participation in the operation of medical cannabis businesses by
22 persons from socially and economically disadvantaged communities
23 consistent with the standards set forth in paragraph (1) of this
24 subsection, and to coordinate and assist the commission with
25 respect to its incorporation of these permitting measures into the
26 application and review process for issuing permits under P.L.2009,
27 c.307 (C.24:6I-1 et al.).

28 d. The office may review the commission's measures regarding
29 participation in the medical cannabis industry by persons from
30 socially and economically disadvantaged communities, and
31 minority, women's, and disabled veterans' businesses, and make
32 recommendations on relevant policy and implementation matters for
33 the improvement thereof. The office may consult with experts or
34 other knowledgeable individuals in the public or private sector on
35 any aspect of its mission.

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

1 ¹33. (New section) a. No person shall be appointed to or
2 employed by the commission if, during the period commencing
3 three years prior to appointment or employment, the person held
4 any direct or indirect interest in, or any employment by, any holder
5 of, or applicant for, a medical cannabis cultivator, medical cannabis
6 manufacturer, medical cannabis wholesaler, medical cannabis
7 dispensary, or clinical registrant permit pursuant to P.L.2009, c.307
8 (C.24:6I-1 et al.) or otherwise employs any certified medical
9 cannabis handler to perform transfers or deliveries of medical
10 cannabis; provided, however, that notwithstanding any other
11 provision of law to the contrary, any such person may be appointed
12 to or employed by the commission if the person's prior interest in
13 any such permit holder or applicant would not, in the opinion of the
14 commission, interfere with the objective discharge of the person's
15 obligations of appointment or employment, but in no instance shall
16 any person be appointed to or employed by the commission if the
17 person's prior interest in such permit holder or applicant constituted
18 a controlling interest in that permit holder or applicant; and
19 provided further, however, that notwithstanding any other provision
20 of law to the contrary, any such person may be employed by the
21 commission in a secretarial or clerical position if, in the opinion of
22 the commission, the person's previous employment by, or interest
23 in, any permit holder would not interfere with the objective
24 discharge of the person's employment obligations.

25 b. Prior to appointment or employment, each member of the
26 commission and each employee of the commission shall swear or
27 affirm that the member or employee, as applicable, possesses no
28 interest in any business or organization issued a medical cannabis
29 cultivator, medical cannabis manufacturer, medical cannabis
30 wholesaler, medical cannabis dispensary, or clinical registrant
31 permit by the commission.

32 c. (1) Each member of the commission shall file with the State
33 Ethics Commission a financial disclosure statement listing all assets
34 and liabilities, property and business interests, and sources of
35 income of the member and the member's spouse, domestic partner,
36 or partner in a civil union couple, as the case may be, and shall also
37 provide to the State Ethics Commission in the same financial
38 disclosure statement a list of all assets and liabilities, property and
39 business interests, and sources of income of each dependent child or
40 stepchild, recognized by blood or by law, of the member, or of the
41 spouse, domestic partner, or partner in a civil union couple residing
42 in the same household as the member. Each statement shall be
43 under oath and shall be filed at the time of appointment and
44 annually thereafter.

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

13

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

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

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

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

30 (1) No commission member or employee shall be permitted to
31 enter and engage in any activities, nor have any interest, directly or
32 indirectly, in any medical cannabis cultivator, medical cannabis
33 manufacturer, medical cannabis wholesaler, medical cannabis
34 dispensary, or clinical registrant issued a permit by the commission
35 in accordance with the P.L.2009, c.307 (C.24:6I-1 et al.) or any
36 entity that employs any certified medical cannabis handler to
37 perform transfers or deliveries of medical cannabis, except in the
38 course of the member’s or employee’s duties; provided that nothing
39 in this paragraph shall be construed to prohibit a member or
40 employee who is a registered qualifying patient, or who is serving
41 as a designated caregiver or institutional caregiver for a registered
42 qualifying patient, from being dispensed medical cannabis
43 consistent with the requirements of P.L.2009, c.307 (C.24:6I-
44 1 et al.).

1 (2) No commission member or employee shall solicit or accept
2 employment from any holder of, or applicant for, a medical
3 cannabis cultivator, medical cannabis manufacturer, medical
4 cannabis wholesaler, medical cannabis dispensary, or clinical
5 registrant permit or any entity that employs any certified medical
6 cannabis handler to perform transfers or deliveries of medical
7 cannabis for a period of two years after termination of service with
8 the commission, except as otherwise provided in section 35 of
9 P.L. , c. (C.) (pending before the Legislature as this bill).

10 (3) No commission member or employee shall act in the
11 member's or employee's official capacity in any matter wherein the
12 member, employee, or the member's or employee's spouse,
13 domestic partner, or partner in a civil union couple, or child, parent,
14 or sibling has a direct or indirect personal financial interest that
15 might reasonably be expected to impair the member's or
16 employee's objectivity or independence of judgment.

17 (4) No commission member or employee shall act in the
18 member's or employee's official capacity in a matter concerning
19 any holder of, or applicant for, a medical cannabis cultivator,
20 medical cannabis manufacturer, medical cannabis wholesaler,
21 medical cannabis dispensary, or clinical registrant permit or any
22 entity that employs any certified medical cannabis handler to
23 perform transfers or deliveries of medical cannabis who is the
24 employer of a spouse, domestic partner, or partner in a civil union
25 couple, or child, parent, or sibling of the commission member or
26 employee when the fact of the employment of the spouse, domestic
27 partner, or partner in a civil union couple, or child, parent, or
28 sibling might reasonably be expected to impair the objectivity and
29 independence of judgment of the commission member or employee.

30 (5) No spouse, domestic partner, or partner in a civil union
31 couple, or child, parent, or sibling of a commission member shall be
32 employed in any capacity by any holder of, or applicant for, a
33 medical cannabis cultivator, medical cannabis manufacturer,
34 medical cannabis wholesaler, medical cannabis dispensary, or
35 clinical registrant permit, or any entity that employs any certified
36 medical cannabis handler to perform transfers or deliveries of
37 medical cannabis nor by any holding, intermediary, or subsidiary
38 company thereof.

39 (6) No commission member shall meet with any person, except
40 for any other member of the commission or employee of the
41 commission, or discuss any issues involving any pending or
42 proposed application or any matter whatsoever which may
43 reasonably be expected to come before the commission, or any
44 member thereof, for determination unless the meeting or discussion
45 takes place on the business premises of the commission, provided,
46 however, that commission members may meet to consider matters

1 requiring the physical inspection of equipment or premises at the
2 location of the equipment or premises. All meetings or discussions
3 subject to this paragraph shall be noted in a log maintained for this
4 purpose and available for inspection pursuant to the provisions of
5 P.L.1963, c.73 (C.47:1A-1 et seq.).

6 d. No commission member or employee shall have any interest,
7 direct or indirect, in any holder of, or applicant for, a medical
8 cannabis cultivator, medical cannabis manufacturer, medical
9 cannabis wholesaler, medical cannabis dispensary, or clinical
10 registrant permit or in any entity that employs any certified medical
11 cannabis handler to perform transfers or deliveries of medical
12 cannabis during the member's term of office or employee's term of
13 employment.

14 e. Each commission member and employee shall devote the
15 member's or employee's entire time and attention to the member's
16 or employee's duties, as applicable, and shall not pursue any other
17 business or occupation or other gainful employment; provided,
18 however, that secretarial and clerical personnel may engage in such
19 other gainful employment as shall not interfere with their duties to
20 the commission, unless otherwise directed; and provided further,
21 however, that other employees of the commission may engage in
22 such other gainful employment as shall not interfere or be in
23 conflict with their duties to the commission or division, upon
24 approval by the commission, as the case may be.

25 f. (1) A member of the commission and the executive director
26 or any other employee of the commission holding a supervisory or
27 policy-making management position shall not make any
28 contribution as that term is defined in "The New Jersey Campaign
29 Contributions and Expenditures Reporting Act," P.L.1973, c.83
30 (C.19:44A-1 et seq.).

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

32 (a) use the member's or employee's official authority or
33 influence for the purpose of interfering with or affecting the result
34 of an election or a nomination for office;

35 (b) directly or indirectly coerce, attempt to coerce, command, or
36 advise any person to pay, lend, or contribute anything of value to a
37 party, committee, organization, agency, or person for political
38 purposes; or

39 (c) take any active part in political campaigns or the
40 management thereof; provided, however, that nothing herein shall
41 prohibit a member or employee from voting as the member or
42 employee chooses or from expressing personal opinions on political
43 subjects and candidates.

44 g. For the purpose of applying the provisions of the "New
45 Jersey Conflicts of Interest Law," any consultant or other person
46 under contract for services to the commission shall be deemed to be

1 a special State employee, except that the restrictions of section 4 of
2 P.L.1981, c.142 (C.52:13D-17.2) shall not apply to such person.
3 Such person and any corporation, firm, or partnership in which the
4 person has an interest or by which the person is employed shall not
5 represent any person or party other than the commission.¹
6

7 ¹35. (New section) a. No member of the commission shall hold
8 any direct or indirect interest in, or be employed by, any holder of, or
9 applicant for, a medical cannabis cultivator, medical cannabis
10 manufacturer, medical cannabis wholesaler, medical cannabis
11 dispensary, or clinical registrant permit issued pursuant to P.L.2009,
12 c.307 (C.24:6I-1 et al.) or in any entity that employs any certified
13 medical cannabis handler to perform transfers or deliveries of
14 medical cannabis for a period of two years commencing on the date
15 that membership on the commission terminates.

16 b. (1) No employee of the commission may acquire any direct
17 or indirect interest in, or accept employment with, any holder of, or
18 applicant for, a medical cannabis cultivator, medical cannabis
19 manufacturer, medical cannabis wholesaler, medical cannabis
20 dispensary, or clinical registrant permit or in any entity that
21 employs any certified medical cannabis handler to perform transfers
22 or deliveries of medical cannabis, for a period of two years
23 commencing at the termination of employment with the
24 commission, except that a secretarial or clerical employee of the
25 commission may accept such employment at any time after the
26 termination of employment with the commission. At the end of two
27 years and for a period of two years thereafter, a former employee
28 who held a policy-making management position at any time during
29 the five years prior to termination of employment may acquire an
30 interest in, or accept employment with, any holder of, or applicant
31 for, a medical cannabis cultivator, medical cannabis manufacturer,
32 medical cannabis wholesaler, medical cannabis dispensary, or
33 clinical registrant permit or in any entity that employs any certified
34 medical cannabis handler to perform transfers or deliveries of
35 medical cannabis, upon application to, and the approval of, the
36 commission, upon a finding that the interest to be acquired or the
37 employment will not create the appearance of a conflict of interest
38 and does not evidence a conflict of interest in fact.

39 (2) Notwithstanding the provisions of this subsection, if the
40 employment of a commission employee, other than an employee
41 who held a policy-making management position at any time during
42 the five years prior to termination of employment, is terminated as a
43 result of a reduction in the workforce at the commission, the
44 employee may, at any time prior to the end of the two-year period,
45 accept employment with any holder of, or applicant for, a medical

1 cannabis cultivator, medical cannabis manufacturer, medical
2 cannabis wholesaler, medical cannabis dispensary, or clinical
3 registrant permit or any entity that employs any certified medical
4 cannabis handler to perform transfers or deliveries of medical
5 cannabis, upon application to, and the approval of, the commission,
6 upon a finding that the employment will not create the appearance
7 of a conflict of interest and does not evidence a conflict of interest
8 in fact. The commission shall take action on an application within
9 30 days of receipt and an application may be submitted to the
10 commission prior to or after the commencement of the employment.

11 c. No commission member or employee shall represent any
12 person or party other than the State before or against the
13 commission for a period of two years from the termination of office
14 or employment with the commission.

15 d. No partnership, firm, or corporation in which a former
16 commission member or employee has an interest, nor any partner,
17 officer, or employee of any such partnership, firm, or corporation
18 shall make any appearance or representation which is prohibited to
19 the former member or employee.¹

20

21 ¹36. (New section) a. (1) No holder of, or applicant for, a
22 medical cannabis cultivator, medical cannabis manufacturer,
23 medical cannabis wholesaler, medical cannabis dispensary, or
24 clinical registrant permit issued pursuant to P.L.2009, c.307
25 (C.24:6I-1 et al.) or any entity that employs any certified medical
26 cannabis handler to perform transfers or deliveries of medical
27 cannabis shall employ or offer to employ, or provide, transfer, or
28 sell, or offer to provide, transfer, or sell any interest, direct or
29 indirect, in any medical cannabis cultivator, medical cannabis
30 manufacturer, medical cannabis wholesaler, medical cannabis
31 dispensary, or clinical registrant permit holder to any person
32 restricted from such transactions by the provisions of sections 33
33 through 35 of P.L. , c. (C.) (pending before the Legislature
34 as this bill).

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

39 b. (1) A member or employee of the commission who makes
40 or causes to be made a political contribution prohibited under
41 subsection f. of section 34 of P.L. , c. (C.) (pending before
42 the Legislature as this bill) is guilty of a crime of the fourth degree,
43 but notwithstanding the provisions of subsection b. of N.J.S.2C:43-
44 3, a fine not to exceed \$200,000 may be imposed.

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

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

18
19 ¹37. Section 2 of P.L.1971, c.182 (C.52:13D-13) is amended to
20 read as follows:

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

24 a. "State agency" means any of the principal departments in the
25 Executive Branch of the State Government, and any division, board,
26 bureau, office, commission, or other instrumentality within or
27 created by such department, the Legislature of the State, and any
28 office, board, bureau, or commission within or created by the
29 Legislative Branch, and, to the extent consistent with law, any
30 interstate agency to which New Jersey is a party and any
31 independent State authority, commission, instrumentality, or
32 agency. A county or municipality shall not be deemed an agency or
33 instrumentality of the State.

34 b. "State officer or employee" means any person, other than a
35 special State officer or employee; (1) holding an office or
36 employment in a State agency, excluding an interstate agency, other
37 than a member of the Legislature; or (2) appointed as a New Jersey
38 member to an interstate agency.

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

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

1 e. "Special State officer or employee" means: (1) any person
2 holding an office or employment in a State agency, excluding an
3 interstate agency, for which office or employment no compensation
4 is authorized or provided by law, or no compensation other than a
5 sum in reimbursement of expenses, whether payable per diem or per
6 annum, is authorized or provided by law; (2) any person, not a
7 member of the Legislature, holding a part-time elective or
8 appointive office or employment in a State agency, excluding an
9 interstate agency~~[,]~~; or (3) any person appointed as a New Jersey
10 member to an interstate agency the duties of which membership are
11 not full-time.

12 f. "Person" means any natural person, association or
13 corporation.

14 g. "Interest" means: (1) the ownership or control of more than
15 ~~10%~~ 10 percent of the profits or assets of a firm, association, or
16 partnership, or more than ~~10%~~ 10 percent of the stock in a
17 corporation for profit other than a professional service corporation
18 organized under the "Professional Service Corporation Act,"
19 P.L.1969, c.232 (C. 14A:17-1 et seq.); or (2) the ownership or
20 control of more than ~~1%~~ one percent of the profits of a firm,
21 association, or partnership, or more than ~~1%~~ one percent of the
22 stock in any corporation, (a) which is the holder of, or an applicant
23 for, a casino license or in any holding or intermediary company
24 with respect thereto, as defined by the "Casino Control Act,"
25 P.L.1977, c.110 (C.5:12-1 et seq.), or (b) which is the holder of, or
26 an applicant for, a medical cannabis cultivator, medical cannabis
27 manufacturer, medical cannabis wholesaler, medical cannabis
28 dispensary, or clinical registrant permit issued pursuant P.L.2009,
29 c.307 (C.24:6I-1 et al.), or any holding or intermediary company
30 with respect thereto. The provisions of this act governing the
31 conduct of individuals are applicable to shareholders, associates or
32 professional employees of a professional service corporation
33 regardless of the extent or amount of their shareholder interest in
34 such a corporation.

35 h. "Cause, proceeding, application or other matter" means a
36 specific cause, proceeding or matter and does not mean or include
37 determinations of general applicability or the preparation or review
38 of legislation which is no longer pending before the Legislature or
39 the Governor.

40 i. "Member of the immediate family" of any person means the
41 person's spouse, domestic partner, civil union partner, child, parent,
42 or sibling residing in the same household.

43 (cf: P.L.1987, c.432, s.2)¹

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

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

4 (1) ~~any State officer or employee subject to financial disclosure~~
5 by law or executive order and any other State officer or employee
6 with responsibility for matters affecting casino activity; any special
7 State officer or employee with responsibility for matters affecting
8 casino activity; ~~(a) with respect to casino activity and activity~~
9 ~~related to medical cannabis authorized pursuant to P.L.2009, c.307~~
10 ~~(C.24:6I-1 et al.), the Governor; any member of the Legislature~~
11 ~~or the President of the Senate; the Speaker of the General~~
12 ~~Assembly; any full-time member of the Judiciary; any full-time~~
13 ~~professional employee of the Office of the Governor, or the~~
14 ~~Legislature; members of the Casino Reinvestment Development~~
15 ~~Authority]; the head of a principal department; the assistant or~~
16 ~~deputy heads of a principal department, including all assistant and~~
17 ~~deputy commissioners; the head of any division of a principal~~
18 ~~department;~~

19 (b) with respect to casino activity, any State officer or employee
20 subject to financial disclosure by law or executive order and any
21 other State officer or employee with responsibility for matters
22 affecting casino activity; any special State officer or employee with
23 responsibility for matters affecting casino activity; any member of
24 the Legislature; any full-time professional employee of the
25 Legislature; members of the Casino Reinvestment Development
26 Authority; or

27 (c) with respect to activity related to medical cannabis authorized
28 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), any State officer or
29 employee subject to financial disclosure by law or executive order
30 and any other State officer or employee with responsibility for
31 matters affecting medical cannabis activity; any special State officer
32 or employee with responsibility for matters affecting medical
33 cannabis activity; members of the Cannabis Regulatory
34 Commission; or

35 (2) (a) any member of the governing body, or the municipal
36 judge or the municipal attorney of a municipality wherein a casino
37 is located; any member of or attorney for the planning board or
38 zoning board of adjustment of a municipality wherein a casino is
39 located, or any professional planner, or consultant regularly
40 employed or retained by such planning board or zoning board of
41 adjustment; or

42 (b) any member of the governing body or the municipal judge of
43 a municipality, any member of the planning board or zoning board
44 of adjustment, or any professional planner, or consultant regularly
45 employed or retained by such planning board or zoning board of

1 adjustment, of a municipality wherein a medical cannabis
2 cultivator, medical cannabis manufacturer, medical cannabis
3 wholesaler, medical cannabis dispensary, or clinical registrant
4 issued a permit pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) is
5 located.

6 b. (1) No State officer or employee, nor any person, nor any
7 member of the immediate family of any State officer or employee,
8 or person, nor any partnership, firm, or corporation with which any
9 such State officer or employee or person is associated or in which
10 he has an interest, nor any partner, officer, director, or employee
11 while he is associated with such partnership, firm, or corporation,
12 shall hold, directly or indirectly, an interest in, or hold employment
13 with, or represent, appear for, or negotiate on behalf of, any holder
14 of, or applicant for, a casino license, or any holding or intermediary
15 company with respect thereto, in connection with any cause,
16 application, or matter, except as provided in section 3 of P.L.2009,
17 c.26 (C.52:13D-17.3), and except that **[(1)]** (a) a State officer or
18 employee other than a State officer or employee included in the
19 definition of person, and **[(2)]** (b) a member of the immediate
20 family of a State officer or employee, or of a person, may hold
21 employment with the holder of, or applicant for, a casino license if,
22 in the judgment of the State Ethics Commission, the Joint
23 Legislative Committee on Ethical Standards, or the Supreme Court,
24 as appropriate, such employment will not interfere with the
25 responsibilities of the State officer or employee, or person, and will
26 not create a conflict of interest, or reasonable risk of the public
27 perception of a conflict of interest, on the part of the State officer or
28 employee, or person. No special State officer or employee without
29 responsibility for matters affecting casino activity, excluding those
30 serving in the Departments of Education, Health **[and Senior**
31 **Services]**, and Human Services and the **[Commission on]** Office of
32 the Secretary of Higher Education, shall hold, directly or indirectly,
33 an interest in, or represent, appear for, or negotiate on behalf of, any
34 holder of, or applicant for, a casino license, or any holding or
35 intermediary company with respect thereto, in connection with any
36 cause, application, or matter. However, a special State officer or
37 employee without responsibility for matters affecting casino
38 activity may hold employment directly with any holder of or
39 applicant for a casino license or any holding or intermediary
40 company thereof and if so employed may hold, directly or
41 indirectly, an interest in, or represent, appear for, or negotiate on
42 behalf of, **[his]** that employer, except as otherwise prohibited by
43 law.

44 (2) No State officer or employee, nor any person, nor any
45 member of the immediate family of any State officer or employee,

1 or person, nor any partnership, firm, or corporation with which any
2 such State officer or employee or person is associated or in which
3 he has an interest, nor any partner, officer, director, or employee
4 while he is associated with such partnership, firm, or corporation,
5 shall hold, directly or indirectly, an interest in, or hold employment
6 with, or represent, appear for, or negotiate on behalf of, or derive
7 any remuneration, payment, benefit, or any other thing of value for
8 any services, including but not limited to consulting or similar
9 services, from any holder of, or applicant for, a license, permit, or
10 other approval to conduct Internet gaming, or any holding or
11 intermediary company with respect thereto, or any Internet gaming
12 affiliate of any holder of, or applicant for, a casino license, or any
13 holding or intermediary company with respect thereto, or any
14 business, association, enterprise, or other entity that is organized, in
15 whole or in part, for the purpose of promoting, advocating for, or
16 advancing the interests of the Internet gaming industry generally or
17 any Internet gaming-related business or businesses in connection
18 with any cause, application, or matter, except as provided in section
19 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that **[(1)]** (a) a
20 State officer or employee other than a State officer or employee
21 included in the definition of person, and **[(2)]** (b) a member of the
22 immediate family of a State officer or employee, or of a person,
23 may hold employment with the holder of, or applicant for, a license,
24 permit, or other approval to conduct Internet gaming, or any
25 holding or intermediary company with respect thereto, or any
26 Internet gaming affiliate of any holder of, or applicant for, a casino
27 license, or any holding or intermediary company with respect
28 thereto if, in the judgment of the State Ethics Commission, the Joint
29 Legislative Committee on Ethical Standards, or the Supreme Court,
30 as appropriate, such employment will not interfere with the
31 responsibilities of the State officer or employee, or person, and will
32 not create a conflict of interest, or reasonable risk of the public
33 perception of a conflict of interest, on the part of the State officer or
34 employee, or person.

35 (3) No State officer or employee, nor any person, nor any
36 member of the immediate family of any State officer or employee,
37 or person, nor any partnership, firm, or corporation with which any
38 such State officer or employee or person is associated or in which
39 he has an interest, nor any partner, officer, director, or employee
40 while he is associated with such partnership, firm, or corporation,
41 shall hold, directly or indirectly, an interest in, or hold employment
42 with, or represent, appear for, or negotiate on behalf of, any holder
43 of, or applicant for, a medical cannabis cultivator, medical cannabis
44 manufacturer, medical cannabis wholesaler, medical cannabis
45 dispensary, or clinical registrant permit issued pursuant to P.L.2009,

1 c.307 (C.24:6I-1 et al.) or in any entity that employs any certified
2 medical cannabis handler to perform transfers or deliveries of
3 medical cannabis, or any holding or intermediary company with
4 respect thereto, in connection with any cause, application, or matter,
5 except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3),
6 and except that (a) a State officer or employee other than a State
7 officer or employee included in the definition of person, and (b) a
8 member of the immediate family of a State officer or employee, or
9 of a person, may hold employment with the holder of, or applicant
10 for, a medical cannabis cultivator, medical cannabis manufacturer,
11 medical cannabis wholesaler, medical cannabis dispensary, or
12 clinical registrant permit or any entity that employs any certified
13 medical cannabis handler to perform transfers or deliveries of
14 medical cannabis if, in the judgment of the State Ethics
15 Commission, the Joint Legislative Committee on Ethical Standards,
16 or the Supreme Court, as appropriate, such employment will not
17 interfere with the responsibilities of the State officer or employee,
18 or person, and will not create a conflict of interest, or reasonable
19 risk of the public perception of a conflict of interest, on the part of
20 the State officer or employee, or person. No special State officer or
21 employee without responsibility for matters affecting medical
22 cannabis activity, excluding those serving in the Departments of
23 Education, Health, and Human Services and the Office of the
24 Secretary of Higher Education, shall hold, directly or indirectly, an
25 interest in, or represent, appear for, or negotiate on behalf of, any
26 holder of, or applicant for, a medical cannabis cultivator, medical
27 cannabis manufacturer, medical cannabis wholesaler, medical
28 cannabis dispensary, or clinical registrant permit or any entity that
29 employs any certified medical cannabis handler to perform transfers
30 or deliveries of medical cannabis, or any holding or intermediary
31 company with respect thereto, in connection with any cause,
32 application, or matter. However, a special State officer or employee
33 without responsibility for matters affecting medical cannabis
34 activity may hold employment directly with any holder of or
35 applicant for a medical cannabis cultivator, medical cannabis
36 manufacturer, medical cannabis wholesaler, medical cannabis
37 dispensary, or clinical registrant permit, or any entity that employs
38 any certified medical cannabis handler to perform transfers or
39 deliveries of medical cannabis, or any holding or intermediary
40 company thereof, and if so employed may hold, directly or
41 indirectly, an interest in, or represent, appear for, or negotiate on
42 behalf of, that employer, except as otherwise prohibited by law.

43 c. (1) No person or any member of his immediate family, nor
44 any partnership, firm, or corporation with which such person is
45 associated or in which he has an interest, nor any partner, officer,
46 director, or employee while he is associated with such partnership,

1 firm or corporation, shall, within two years next subsequent to the
2 termination of the office or employment of such person, hold,
3 directly or indirectly, an interest in, or hold employment with, or
4 represent, appear for, or negotiate on behalf of, any holder of, or
5 applicant for, a casino license 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 casino license in
8 connection with any phase of casino development, permitting,
9 licensure, or any other matter whatsoever related to casino activity,
10 except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3),
11 and except that:

12 **[(1)]** (a) a member of the immediate family of a person may
13 hold employment with the holder of, or applicant for, a casino
14 license if, in the judgment of the State Ethics Commission, the Joint
15 Legislative Committee on Ethical Standards, or the Supreme Court,
16 as appropriate, such employment will not interfere with the
17 responsibilities of the person and will not create a conflict of
18 interest, or reasonable risk of the public perception of a conflict of
19 interest, on the part of the person;

20 **[(2)]** (b) an employee who is terminated as a result of a
21 reduction in the workforce at the agency where employed, other
22 than an employee who held a policy-making management position
23 at any time during the five years prior to termination of
24 employment, may, at any time prior to the end of the two-year
25 period, accept employment with the holder of, or applicant for, a
26 casino license if, in the judgment of the State Ethics Commission,
27 the Joint Legislative Committee on Ethical Standards, or the
28 Supreme Court, as appropriate, such employment will not create a
29 conflict of interest, or reasonable risk of the public perception of a
30 conflict of interest, on the part of the employee. In no case shall the
31 restrictions of this subsection apply to a secretarial or clerical
32 employee.

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

39 **[(3)]** (c) any partnership, firm, or corporation engaged in the
40 practice of law or in providing any other professional services with
41 which any person included in subparagraphs (a) and (b) of
42 paragraph (1) of subsection a. of this section, or a member of the
43 immediate family of that person, is associated, and any partner,
44 officer, director, or employee thereof, other than that person, or
45 immediate family member, may represent, appear for or negotiate

1 on behalf of any holder of, or applicant for, a casino license in
2 connection with any cause, application or matter or any holding
3 company or intermediary company with respect to such holder of,
4 or applicant for, a casino license in connection with any phase of
5 casino development, permitting, licensure or any other matter
6 whatsoever related to casino activity, and that person or immediate
7 family member shall not be barred from association with such
8 partnership, firm or corporation, if for a period of two years next
9 subsequent to the termination of the person's office or employment,
10 the person or immediate family member **[(a)] (i)** is screened from
11 personal participation in any such representation, appearance or
12 negotiation; and **[(b)] (ii)** is associated with the partnership, firm or
13 corporation in a position which does not entail any equity interest in
14 the partnership, firm or corporation. The exception provided in this
15 paragraph shall not apply to a former Governor, Lieutenant
16 Governor, Attorney General, member of the Legislature, person
17 included in subparagraph (a) of paragraph (2) of subsection a. of
18 this section, or to the members of their immediate families.

19 (2) No person or any member of the person's immediate family,
20 nor any partnership, firm, or corporation with which such person is
21 associated or in which the person has an interest, nor any partner,
22 officer, director, or employee while the person is associated with
23 such partnership, firm, or corporation, shall, within two years next
24 subsequent to the termination of the office or employment of such
25 person, hold, directly or indirectly, an interest in, or hold
26 employment with, or represent, appear for, or negotiate on behalf
27 of, any holder of, or applicant for, a medical cannabis cultivator,
28 medical cannabis manufacturer, medical cannabis wholesaler,
29 medical cannabis dispensary, or clinical registrant permit issued
30 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) or in any entity that
31 employs any certified medical cannabis handler to perform transfers
32 or deliveries of medical cannabis, or any holding or intermediary
33 company with respect thereto, in connection with any cause,
34 application, or matter, or any holding or intermediary company with
35 respect to such holder of, or applicant for, a medical cannabis
36 cultivator, medical cannabis manufacturer, medical cannabis
37 wholesaler, medical cannabis dispensary, or clinical registrant
38 permit or entity that employs any certified medical cannabis handler
39 to perform transfers or deliveries of medical cannabis in connection
40 with any phase of development, permitting, licensure, or any other
41 matter whatsoever related to medical cannabis activity, except as
42 provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except
43 that:

44 (a) a member of the immediate family of a person may hold
45 employment with the holder of, or applicant for, a medical cannabis

1 cultivator, medical cannabis manufacturer, medical cannabis
2 wholesaler, medical cannabis dispensary, or clinical registrant
3 permit issued pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) or any
4 entity that employs any certified medical cannabis handler to
5 perform transfers or deliveries of medical cannabis if, in the
6 judgment of the State Ethics Commission, the Joint Legislative
7 Committee on Ethical Standards, or the Supreme Court, as
8 appropriate, such employment will not interfere with the
9 responsibilities of the person and will not create a conflict of
10 interest, or reasonable risk of the public perception of a conflict of
11 interest, on the part of the person;

12 (b) an employee who is terminated as a result of a reduction in
13 the workforce at the agency where employed, other than an
14 employee who held a policy-making management position at any
15 time during the five years prior to termination of employment, may,
16 at any time prior to the end of the two-year period, accept
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 or any entity that employs any certified medical cannabis
21 handler to perform transfers or deliveries of medical cannabis if, in
22 the judgment of the State Ethics Commission, the Joint Legislative
23 Committee on Ethical Standards, or the Supreme Court, as
24 appropriate, such employment will not create a conflict of interest,
25 or reasonable risk of the public perception of a conflict of interest,
26 on the part of the employee. In no case shall the restrictions of this
27 subsection apply to a secretarial or clerical employee. Nothing
28 herein contained shall alter or amend the post-service or post-
29 employment restrictions applicable to members and employees of
30 the Cannabis Regulatory Commission pursuant to paragraph (2) of
31 subsection c. of section 34 and section 35 of
32 P.L. , c. (C.) (pending before the Legislature as this bill);
33 and

34 (c) any partnership, firm, or corporation engaged in the practice
35 of law or in providing any other professional services with which
36 any person included in subparagraphs (a) and (c) of paragraph (1) of
37 subsection a. of this section, or a member of the immediate family
38 of that person, is associated, and any partner, officer, director, or
39 employee thereof, other than that person, or immediate family
40 member, may represent, appear for, or negotiate on behalf of any
41 holder of, or applicant for, a medical cannabis cultivator, medical
42 cannabis manufacturer, medical cannabis wholesaler, medical
43 cannabis dispensary, or clinical registrant permit or any entity that
44 employs any certified medical cannabis handler to perform transfers
45 or deliveries of medical cannabis in connection with any cause,
46 application, or matter or any holding company or intermediary

1 company with respect to such holder of, or applicant for, a medical
2 cannabis cultivator, medical cannabis manufacturer, medical
3 cannabis wholesaler, medical cannabis dispensary, or clinical
4 registrant permit or entity that employs any certified medical
5 cannabis handler to perform transfers or deliveries of medical
6 cannabis, in connection with any phase of development, permitting,
7 or any other matter whatsoever related to medical cannabis activity,
8 and that person or immediate family member shall not be barred
9 from association with such partnership, firm, or corporation, if for a
10 period of two years next subsequent to the termination of the
11 person's office or employment, the person or immediate family
12 member (i) is screened from personal participation in any such
13 representation, appearance or negotiation; and (ii) is associated with
14 the partnership, firm, or corporation in a position which does not
15 entail any equity interest in the partnership, firm, or corporation.
16 The exception provided in this paragraph shall not apply to a former
17 Governor, Lieutenant Governor, Attorney General, the President of
18 the Senate, the Speaker of the General Assembly, to a person
19 included in subparagraph (b) of paragraph (2) of subsection a. of
20 this section, or to the members of their immediate families.

21 d. This section shall not apply to the spouse of a State officer
22 or employee, which State officer or employee is without
23 responsibility for matters affecting casino or medical cannabis
24 activity, who becomes the spouse subsequent to the State officer's
25 or employee's appointment or employment as a State officer or
26 employee and who is not individually or directly employed by a
27 holder of, or applicant for, a casino license **[.]** or medical cannabis
28 permit, or any holding or intermediary company thereof.

29 e. The Joint Legislative Committee on Ethical Standards and
30 the State Ethics Commission, as appropriate, shall forthwith
31 determine and publish, and periodically update, a list of those
32 positions in State government with responsibility for matters
33 affecting casino and medical cannabis activity.

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

39 (2) No person shall solicit or accept, directly or indirectly, any
40 complimentary service or discount from any holder of, or applicant
41 for, a 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, which the person knows or has reason to know is other
2 than a service or discount that is offered to members of the general
3 public in like circumstance.

4 g. (1) No person shall influence, or attempt to influence, by
5 use of his official authority, the decision of the **[commission]**
6 Casino Control Commission or the investigation of the **[division]**
7 Division of Gaming Enforcement in any application for casino
8 licensure or in any proceeding to enforce the provisions of this act
9 or the regulations of the commission. Any such attempt shall be
10 promptly reported to the Attorney General; provided, however, that
11 nothing in this section shall be deemed to proscribe a request for
12 information by any person concerning the status of any application
13 for licensure or any proceeding to enforce the provisions of this act
14 or the regulations of the commission.

15 (2) No person shall influence, or attempt to influence, by use of
16 the person's official authority, the decision of the Cannabis
17 Regulatory Commission in any application for a medical cannabis
18 cultivator, medical cannabis manufacturer, medical cannabis
19 wholesaler, medical cannabis dispensary, or clinical registrant
20 permit, or in any proceeding to enforce the provisions of P.L.1981,
21 c.142 (C.52:13D-17.2 et al.), P.L.2009, c.307 (C.24:6I-1 et al.), or
22 the regulations of the Cannabis Regulatory Commission. Any such
23 attempt shall be promptly reported to the Attorney General;
24 provided, however, that nothing in this section shall be deemed to
25 proscribe a request for information by any person concerning the
26 status of any permit application, or any proceeding to enforce the
27 provisions of P.L.1981, c.142 (C.52:13D-17.2 et al.), P.L.2009,
28 c.307 (C.24:6I-1 et al.), or the regulations of the Cannabis
29 Regulatory Commission.

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

33 In addition, for violations of subsection c. of this section
34 occurring after the effective date of P.L.2005, c.382, a civil penalty
35 of not less than \$500 nor more than \$10,000 shall be imposed upon
36 a former State officer or employee or former special State officer or
37 employee of a State agency in the Executive Branch upon a finding
38 of a violation by the State Ethics Commission, which penalty may
39 be collected in a summary proceeding pursuant to the "Penalty
40 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

41 (cf: P.L.2013, c.27, s.35)¹

42

43 ¹**[29.]** 39.¹ (New section) If any provision of
44 P.L.2009, c.307 (C.24:6I-1 et al.) ¹**[,]** or¹ P.L.2015, c.158
45 (C.18A:40-12.22 et al.) ¹**[,]** or P.L. , c. (C.) (pending before

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

11

12 ¹[30.] 40.¹ N.J.S.2C:35-18 is amended to read as follows:

13 2C:35-18. Exemption; Burden of Proof. a. If conduct is
 14 authorized by the provisions of P.L.1970, c.226 (C.24:21-1 et seq.),
 15 P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** ¹or¹ 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 that authorization shall, subject to the
 18 provisions of this section, constitute an exemption from criminal
 19 liability under this chapter or chapter 36, and the absence of such
 20 authorization shall not be construed to be an element of any offense
 21 in this chapter or chapter 36. It is an affirmative defense to any
 22 criminal action arising under this chapter or chapter 36 that the
 23 defendant is the authorized holder of an appropriate registration,
 24 permit, or order form or is otherwise exempted or excepted from
 25 criminal liability by virtue of any provision of P.L.1970, c.226
 26 (C.24:21-1 et seq.), P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** ¹or¹
 27 P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹**[, or P.L. , c. (C.)**
 28 **(pending before the Legislature as this bill).]**¹ . The affirmative
 29 defense established herein shall be proved by the defendant by a
 30 preponderance of the evidence. It shall not be necessary for the
 31 State to negate any exemption set forth in this act or in any
 32 provision of Title 24 of the Revised Statutes in any complaint,
 33 information, indictment, or other pleading or in any trial, hearing,
 34 or other proceeding under this act.

35 b. No liability shall be imposed by virtue of this chapter or
 36 chapter 36 upon any duly authorized State officer, engaged in the
 37 enforcement of any law or municipal ordinance relating to
 38 controlled dangerous substances or controlled substance analogs.
 39 (cf: P.L.2015, c.158, s.3)

40

41 ¹[31.] 41.¹ Section 1 of P.L.2015, c.158 (C.18A:40-12.22) is
 42 amended to read as follows:

43 1. a. A board of education or chief school administrator of a
 44 nonpublic school shall develop a policy authorizing parents,

1 guardians, and **【primary】** designated caregivers to administer
2 medical **【marijuana】** cannabis to a student while the student is on
3 school grounds, aboard a school bus, or attending a school-
4 sponsored event.

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

7 (1) require that the student be authorized to engage in the
8 medical use of **【marijuana】** cannabis pursuant to P.L.2009, c.307
9 (C.24:6I-1 et al.) and that the parent, guardian, or **【primary】**
10 designated caregiver be authorized to assist the student with the
11 medical use of **【marijuana】** cannabis pursuant to P.L.2009, c.307
12 (C.24:6I-1 et al.);

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

17 (3) expressly authorize parents, guardians, and **【primary】**
18 designated caregivers of students who have been authorized for the
19 medical use of **【marijuana】** cannabis to administer medical
20 **【marijuana】** cannabis to the student while the student is on school
21 grounds, aboard a school bus, or attending a school-sponsored
22 event;

23 (4) identify locations on school grounds where medical
24 **【marijuana】** cannabis may be administered; and

25 (5) prohibit the administration of medical **【marijuana】** cannabis
26 to a student by smoking or other form of inhalation while the
27 student is on school grounds, aboard a school bus, or attending a
28 school-sponsored event.

29 c. Medical **【marijuana】** cannabis may be administered to a
30 student while the student is on school grounds, aboard a school bus,
31 or attending school-sponsored events, provided that such
32 administration is consistent with the requirements of the policy
33 adopted pursuant to this section.

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

35

36 ¹**【32.】** 42.¹ Section 2 of P.L.2015, c.158 (C.30:6D-5b) is
37 amended to read as follows:

38 2. a. The chief administrator of a facility that offers services
39 for persons with developmental disabilities shall develop a policy
40 authorizing a parent, guardian, or **【primary】** designated caregiver
41 authorized to assist a qualifying patient with the use of medical
42 **【marijuana】** cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
43 to administer medical **【marijuana】** cannabis to a person who is

1 receiving services for persons with developmental disabilities at the
2 facility.

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

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

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

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

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

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

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

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

32

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

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

42 (1) require the person receiving behavioral health care services
43 be a qualifying patient authorized for the use of medical cannabis
44 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), and that the parent,

1 guardian, or designated caregiver be authorized to assist the person
2 with the medical use of cannabis pursuant to P.L.2009, c.307
3 (C.24:6I-1 et al.);

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

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

12 (4) identify locations at the facility where medical cannabis may
13 be administered.

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

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

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

30

31 ¹[34.] 44.¹ Section 11 of P.L.2009, c.307 (C.45:1-45.1) is
32 amended to read as follows:

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

1 cross-referenced with, the electronic system for monitoring
2 controlled dangerous substances established pursuant to section 25
3 of P.L.2007, c.244 (C.45:1-45).

4 b. The Director of the Division of Consumer Affairs, pursuant
5 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
6 1 et seq.), and in consultation with the **Commissioner of Health**
7 **and Senior Services** ¹**Executive Director of the**¹ Cannabis
8 Regulatory Commission, shall adopt rules and regulations to
9 effectuate the purposes of subsection a. of this section.

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

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

23
24 ¹**[35.] 45.**¹ Section 7 of P.L.1991, c.378 (C.45:9-27.16) is
25 amended to read as follows:

26 7. a. A physician assistant may perform the following
27 procedures:

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

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

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

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

42 (5) Assisting a physician in the delivery of services to patients
43 requiring continuing care in a private home, nursing home,
44 extended care facility, or other setting, including the review and
45 monitoring of treatment and therapy plans; and

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

1 ¹~~36.~~ 46.¹ Section 10 of P.L.1991, c.378 (C.45:9-27.19) is
2 amended to read as follows:

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

7 a. Controlled dangerous substances may only be ordered or
8 prescribed if:

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

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

14 (b) otherwise adjust the dosage of an order or prescription for a
15 controlled dangerous substance originally ordered or prescribed by
16 the supervising physician, provided there is prior consultation with
17 the supervising physician;

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

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

27 (2) the physician assistant has registered with, and obtained
28 authorization to order or prescribe controlled dangerous substances
29 from, the federal Drug Enforcement Administration and any other
30 appropriate State and federal agencies; and

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

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

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

39 d. In the case of an order or prescription for a controlled
40 dangerous substance or written instructions for medical cannabis,
41 the physician assistant shall print on the order or prescription or the
42 written instructions the physician assistant's Drug Enforcement
43 Administration registration number.

44 e. The dispensing of medication or a medical device by a
45 physician assistant shall comply with relevant federal and State

1 regulations, and shall occur only if: (1) pharmacy services are not
2 reasonably available; (2) it is in the best interest of the patient; or
3 (3) the physician assistant is rendering emergency medical
4 assistance.

5 f. A physician assistant may request, receive, and sign for
6 prescription drug samples and may distribute those samples to
7 patients.

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

11 (1) a supervising physician has authorized the physician
12 assistant to issue written instructions to registered qualifying
13 patients;

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

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

21
22 ¹[37.] 47.¹ Section 10 of P.L.1991, c.377 (C.45:11-49) is
23 amended to read as follows:

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

30 (1) initiating laboratory and other diagnostic tests;

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

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

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

38 (1) the collaborating physician and advanced practice nurse
39 shall address in the joint protocols whether prior consultation with
40 the collaborating physician is required to initiate an order for a
41 controlled dangerous substance;

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

- 1 (3) the advanced practice nurse authorizes the order by signing
2 the nurse's own name, printing the name and certification number,
3 and printing the collaborating physician's name;
 - 4 (4) the physician is present or readily available through
5 electronic communications;
 - 6 (5) the charts and records of the patients treated by the advanced
7 practice nurse are reviewed by the collaborating physician and the
8 advanced practice nurse within the period of time specified by rule
9 adopted by the Commissioner of Health pursuant to section 13 of
10 P.L.1991, c.377 (C.45:11-52);
 - 11 (6) the joint protocols developed by the collaborating physician
12 and the advanced practice nurse are reviewed, updated, and signed
13 at least annually by both parties; and
 - 14 (7) the advanced practice nurse has completed six contact hours
15 of continuing professional education in pharmacology related to
16 controlled substances, including pharmacologic therapy, addiction
17 prevention and management, and issues concerning prescription
18 opioid drugs, including responsible prescribing practices,
19 alternatives to opioids for managing and treating pain, and the risks
20 and signs of opioid abuse, addiction, and diversion, in accordance
21 with regulations adopted by the New Jersey Board of Nursing. The
22 six contact hours shall be in addition to New Jersey Board of
23 Nursing pharmacology education requirements for advanced
24 practice nurses related to initial certification and recertification of
25 an advanced practice nurse as set forth in N.J.A.C.13:37-7.2.
- 26 c. An advanced practice nurse may prescribe medications and
27 devices in all other medically appropriate settings, subject to the
28 following conditions:
- 29 (1) the collaborating physician and advanced practice nurse
30 shall address in the joint protocols whether prior consultation with
31 the collaborating physician is required to initiate a prescription for a
32 controlled dangerous substance;
 - 33 (2) the prescription is written in accordance with standing orders
34 or joint protocols developed in agreement between a collaborating
35 physician and the advanced practice nurse, or pursuant to the
36 specific direction of a physician;
 - 37 (3) the advanced practice nurse writes the prescription on a New
38 Jersey Prescription Blank pursuant to P.L.2003, c.280 (C.45:14-
39 40 et seq.), signs the nurse's own name to the prescription and prints
40 the nurse's name and certification number;
 - 41 (4) the prescription is dated and includes the name of the patient
42 and the name, address, and telephone number of the collaborating
43 physician;
 - 44 (5) the physician is present or readily available through
45 electronic communications;

1 (6) the charts and records of the patients treated by the advanced
2 practice nurse are periodically reviewed by the collaborating
3 physician and the advanced practice nurse;

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

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

19 d. The joint protocols employed pursuant to subsections b. and
20 c. of this section shall conform with standards adopted by the
21 Director of the Division of Consumer Affairs pursuant to section 12
22 of P.L.1991, c.377 (C.45:11-51) or section 10 of P.L.1999, c.85
23 (C.45:11-49.2), as applicable.

24 e. (Deleted by amendment, P.L.2004, c.122.)

25 f. An attending advanced practice nurse may determine and
26 certify the cause of death of the nurse's patient and execute the
27 death certification pursuant to R.S.26:6-8 if no collaborating
28 physician is available to do so and the nurse is the patient's primary
29 caregiver.

30 g. An advanced practice nurse may authorize qualifying
31 patients for the medical use of cannabis and issue written
32 instructions for medical cannabis to registered qualifying patients,
33 subject to the following conditions:

34 (1) the collaborating physician and advanced practice nurse
35 shall address in the joint protocols whether prior consultation with
36 the collaborating physician is required to authorize a qualifying
37 patient for the medical use of cannabis or issue written instructions
38 for medical cannabis;

39 (2) the authorization for the medical use of cannabis or issuance
40 of written instructions for cannabis is in accordance with standing
41 orders or joint protocols developed in agreement between a
42 collaborating physician and the advanced practice nurse, or
43 pursuant to the specific direction of a physician;

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

1 (4) the authorization or written instruction is dated and includes
2 the name of the qualifying patient and the name, address, and
3 telephone number of the collaborating physician;

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

6 (6) the charts and records of qualifying patients treated by the
7 advanced practice nurse are periodically reviewed by the
8 collaborating 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 complies with the requirements
13 for authorizing qualifying patients for the medical use of cannabis
14 and for issuing written instructions for medical cannabis established
15 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) ¹[and
16 P.L. , c. (C.) (pending before the Legislature as this bill)]¹.
17 (cf: P.L.2017, c.28, s.15)

18

19 ¹**[38.]** 48.¹ Section 5 of P.L.2009, c.307 (C.24:6I-5) is
20 repealed.

21

22 ¹**[39.]** 49.¹ This act shall take effect immediately.