

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

STATE OF NEW JERSEY
218th LEGISLATURE

ADOPTED MARCH 18, 2019

Sponsored by:

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Co-Sponsored by:

Assemblyman Calabrese, Assemblywomen McKnight, Jasey and Lampitt

SYNOPSIS

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

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Appropriations Committee.

(Sponsorship Updated As Of: 3/26/2019)

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;
41 therefore, compliance with this act does not put the State of New
42 Jersey in violation of federal law **["; and"]** .

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.

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

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

11
12 3. Section 3 of P.L.2009, c.307 (C.24:6I-3) is amended to read
13 as follows:

14 3. As used in **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.),
15 P.L.2015, c.158 (C.18A:40-12.22 et al.), and P.L. , c. (C.)
16 (pending before the Legislature as this bill):

17 “Academic medical center” means an entity located in New
18 Jersey that, on the effective date of P.L. , c. (C.) (pending
19 before the Legislature as this bill), has an addiction medicine
20 faculty practice; has a pain management faculty practice; has
21 graduate medical training programs accredited by the Accreditation
22 Council for Graduate Medical Education or the American
23 Osteopathic Association in primary care and medical specialties; is
24 the principal teaching affiliate of a medical school based in the
25 State; and has the ability to conduct research related to medical
26 cannabis. If the entity is part of a system of health care facilities,
27 the entity shall not qualify as an academic medical center unless the
28 health care system is principally located within the State.

29 “Adverse employment action” means refusing to hire or employ
30 an individual, barring or discharging an individual from
31 employment, requiring an individual to retire from employment, or
32 discriminating against an individual in compensation or in any
33 terms, conditions, or privileges of employment.

34 **【“Bona fide physician-patient relationship” means a relationship**
35 **in which the physician has ongoing responsibility for the**
36 **assessment, care, and treatment of a patient's debilitating qualifying**
37 **medical condition.】**

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

41 **【“Certification” means a statement signed by a physician with**
42 **whom a qualifying patient has a bona fide physician-patient**
43 **relationship, which attests to the physician's authorization for the**
44 **patient to apply for registration for the medical use of marijuana.】**

45 “Clinical registrant” means an entity that has a written
46 contractual relationship with an academic medical center in the

1 region in which it has its principal place of business, which includes
2 provisions whereby the parties will engage in clinical research
3 related to the use of medical cannabis and the academic medical
4 center or its affiliate will provide advice to the entity regarding
5 patient health and safety, medical applications, and dispensing and
6 managing controlled dangerous substances, among other areas.

7 “Commission” means the Cannabis Regulatory Commission
8 established pursuant to section 7 of P.L. , c. (C.) (pending
9 before the Legislature as Senate Bill No. 2703).

10 "Commissioner" means the Commissioner of Health.

11 **["Debilitating medical condition" means:**

12 (1) one of the following conditions, if resistant to conventional
13 medical therapy: seizure disorder, including epilepsy; intractable
14 skeletal muscular spasticity; post-traumatic stress disorder; or
15 glaucoma;

16 (2) one of the following conditions, if severe or chronic pain,
17 severe nausea or vomiting, cachexia, or wasting syndrome results
18 from the condition or treatment thereof: positive status for human
19 immunodeficiency virus; acquired immune deficiency syndrome; or
20 cancer;

21 (3) amyotrophic lateral sclerosis, multiple sclerosis, terminal
22 cancer, muscular dystrophy, or inflammatory bowel disease,
23 including Crohn's disease;

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

26 (5) any other medical condition or its treatment that is approved
27 by the department by regulation. **】**

28 “Common ownership or control” means:

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

31 (2) between a nonprofit entity and a for-profit entity, a majority
32 of the directors, trustees, or members of the governing body of the
33 nonprofit entity directly or indirectly own and control more than 50
34 percent of the for-profit entity; and

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

38 "Department" means the Department of Health.

39 “Designated caregiver” means a resident of the State who:

40 (1) is at least 18 years old;

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

45 (3) subject to the provisions of paragraph (2) of subsection c. of
46 section 4 of P.L.2009, c.307 (C.24:6I-4), has never been convicted
47 of possession or sale of a controlled dangerous substance, unless

1 such conviction occurred after the effective date of P.L.2009, c.307
2 (C.24:6I-1 et al.) and was for a violation of federal law related to
3 possession or sale of cannabis that is authorized under P.L.2009,
4 c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or
5 P.L. , c. (C.) (pending before the Legislature as this bill);

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

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

14 “Executive director” means the executive director of the
15 Cannabis Regulatory Commission established pursuant to section 7
16 of P.L. , c. (C.) (pending before the Legislature as Senate
17 Bill No. 2703).

18 “Health care facility” means a general acute care hospital,
19 nursing home, long term care facility, hospice care facility, group
20 home, facility that provides services to persons with developmental
21 disabilities, behavioral health care facility, or rehabilitation center.

22 “Health care practitioner” means a physician, advanced practice
23 nurse, or physician assistant licensed or certified pursuant to Title
24 45 of the Revised Statutes who:

25 (1) possesses active registrations to prescribe controlled
26 dangerous substances issued by the United States Drug
27 Enforcement Administration and the Division of Consumer Affairs
28 in the Department of Law and Public Safety; and

29 (2) is the health care practitioner responsible for the ongoing
30 treatment of a patient's qualifying medical condition, the symptoms
31 of that condition, or the symptoms associated with the treatment of
32 that condition, provided, however, that the ongoing treatment shall
33 not be limited to the provision of authorization for a patient to use
34 medical cannabis or consultation solely for that purpose.

35 “Immediate family” means the spouse, civil union partner, child,
36 sibling, or parent of an individual, and shall include the siblings,
37 parents, and children of the individual’s spouse or civil union
38 partner, and the parents, spouses, or civil union partners of the
39 individual’s parents, siblings, and children.

40 “Institutional caregiver” means a resident of the State who:

41 (1) is at least 18 years old;

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

43 (3) is authorized, within the scope of the individual’s
44 professional duties, to possess and administer controlled dangerous
45 substances in connection with the care and treatment of patients and
46 residents pursuant to applicable State and federal laws;

1 (4) is authorized by the health care facility employing the person
2 to assist registered qualifying patients who are patients or residents
3 of the facility with the medical use of cannabis, including, but not
4 limited to, obtaining medical cannabis for registered qualifying
5 patients and assisting registered qualifying patients with the
6 administration of medical cannabis;

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

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

18 "Integrated curriculum" means an academic, clinical, or research
19 program at an institution of higher education that is coordinated
20 with a medical cannabis cultivator, medical cannabis manufacturer,
21 or medical cannabis dispensary to apply theoretical principles,
22 practical experience, or both involving the cultivation,
23 manufacturing, dispensing, or medical use of cannabis to a specific
24 area of study, including, but not limited to, agriculture, biology,
25 business, chemistry, culinary studies, ecology, environmental
26 studies, health care, horticulture, technology, or any other
27 appropriate area of study or combined areas of study. Integrated
28 curricula shall be subject to approval by the commission and the
29 Department of Education.

30 "Integrated curriculum permit" or "IC permit" means a permit
31 issued to a medical cannabis cultivator, medical cannabis
32 manufacturer, or medical cannabis dispensary that includes an
33 integrated curriculum approved by the commission and the
34 Department of Education.

35 **["Marijuana" has the meaning given in section 2 of the "New**
36 **Jersey Controlled Dangerous Substances Act," P.L.1970, c.226**
37 **(C.24:21-2).]**

38 **"Medical [marijuana] cannabis alternative treatment center" or**
39 **"alternative treatment center" means an organization [approved]**
40 **issued a permit by the [department] commission to [perform**
41 **activities necessary to provide registered qualifying patients with**
42 **usable marijuana and related paraphernalia in accordance with the**
43 **provisions of this act] operate as a medical cannabis cultivator,**
44 **medical cannabis manufacturer, medical cannabis dispensary, or**
45 **clinical registrant. This term shall include the organization's**
46 **officers, directors, board members, and employees.**

1 “Medical cannabis cultivator” means an organization holding a
2 permit issued by the commission that authorizes the organization to:
3 possess and cultivate cannabis and deliver, transfer, transport,
4 distribute, supply, and sell medical cannabis and related supplies to
5 other medical cannabis cultivators and to medical cannabis
6 manufacturers and medical cannabis dispensaries, as well as to
7 plant, cultivate, grow, and harvest medical cannabis for research
8 purposes. A medical cannabis cultivator permit shall not authorize
9 the permit holder to manufacture, produce, or otherwise create
10 medical cannabis products, or to deliver, transfer, transport,
11 distribute, supply, sell, or dispense medical cannabis, medical
12 cannabis products, paraphernalia, or related supplies to qualifying
13 patients, designated caregivers, or institutional caregivers.

14 “Medical cannabis dispensary” means an organization issued a
15 permit by the commission that authorizes the organization to:
16 purchase or obtain medical cannabis and related supplies from
17 medical cannabis cultivators; purchase or obtain medical cannabis
18 products and related supplies from medical cannabis manufacturers;
19 purchase or obtain medical cannabis, medical cannabis products,
20 and related supplies and paraphernalia from other medical cannabis
21 dispensaries; deliver, transfer, transport, distribute, supply, and sell
22 medical cannabis and medical cannabis products to other medical
23 cannabis dispensaries; and possess, display, deliver, transfer,
24 transport, distribute, supply, sell, and dispense medical cannabis,
25 medical cannabis products, paraphernalia, and related supplies to
26 qualifying patients, designated caregivers, and institutional
27 caregivers. A medical cannabis dispensary permit shall not
28 authorize the permit holder to cultivate medical cannabis or to
29 produce, manufacture, or otherwise create medical cannabis
30 products.

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

46 “Medical use of [marijuana] cannabis” means the acquisition,
47 possession, transport, or use of [marijuana] cannabis or

1 paraphernalia by a registered qualifying patient as authorized by
2 **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158
3 (C.18A:40-12.22 et al.), and P.L. , c. (C.) (pending before
4 the Legislature as this bill).

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

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

9 "Pediatric specialist" means a physician who is a board-certified
10 pediatrician or pediatric specialist, or an advanced practice nurse or
11 physician assistant who is certified as a pediatric specialist by an
12 appropriate professional certification or licensing entity.

13 **【**"Physician" means a person licensed to practice medicine and
14 surgery pursuant to Title 45 of the Revised Statutes with whom the
15 patient has a bona fide physician-patient relationship and who is the
16 primary care physician, hospice physician, or physician responsible
17 for the ongoing treatment of a patient's debilitating medical
18 condition, provided, however, that the ongoing treatment shall not
19 be limited to the provision of authorization for a patient to use
20 medical marijuana or consultation solely for that purpose.

21 "Primary caregiver" or "caregiver" means a resident of the State
22 who:

23 a. is at least 18 years old;

24 b. has agreed to assist with a registered qualifying patient's
25 medical use of marijuana, is not currently serving as primary
26 caregiver for another qualifying patient, and is not the qualifying
27 patient's physician;

28 c. has never been convicted of possession or sale of a
29 controlled dangerous substance, unless such conviction occurred
30 after the effective date of this act and was for a violation of federal
31 law related to possession or sale of cannabis that is authorized
32 under this act;

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

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

39 "Primary care" means the practice of family medicine, general
40 internal medicine, general pediatrics, general obstetrics, or
41 gynecology.

42 "Qualifying medical condition" means seizure disorder,
43 including epilepsy; intractable skeletal muscular spasticity; post-
44 traumatic stress disorder; glaucoma; positive status for human
45 immunodeficiency virus; acquired immune deficiency syndrome;
46 cancer; amyotrophic lateral sclerosis; multiple sclerosis; muscular
47 dystrophy; inflammatory bowel disease, including Crohn's disease;

1 terminal illness, if the patient has a prognosis of less than 12
2 months of life; anxiety; migraine; Tourette's syndrome;
3 dysmenorrhea; chronic pain; opioid use disorder; or any other
4 medical condition or its treatment that is approved by the
5 commission.

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

10 **【"Registry identification card"】** "Registration with the
11 commission" means **【a document issued by the department that**
12 **identifies】** a person has met the qualification requirements for, and
13 has been registered by the commission as, a registered qualifying
14 patient **【or primary】**, designated caregiver, or institutional
15 caregiver. The commission shall establish appropriate means for
16 health care practitioners, health care facilities, medical cannabis
17 dispensaries, law enforcement, schools, facilities providing
18 behavioral health services or services for persons with
19 developmental disabilities, and other appropriate entities to verify
20 an individual's status as a registrant with the commission.

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

23 "Usable **【marijuana】** cannabis" means the dried leaves and
24 flowers of **【marijuana】** cannabis, and any mixture or preparation
25 thereof, and does not include the seeds, stems, stalks, or roots of the
26 plant.

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

28

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

31 4. a. The **【department】** commission shall establish a registry
32 of qualifying patients and their **【primary】** designated caregivers **【,**
33 and shall issue a registry identification card, which shall be valid
34 for two years, to a qualifying patient and primary caregiver, if
35 applicable, who submits **】** and shall establish a means of identifying
36 and verifying the registration status of patients and designated
37 caregivers who are registered with the commission. Registration
38 with the commission shall be valid for two years. A patient or
39 designated caregiver shall be registered with the commission upon
40 submitting the following, in accordance with regulations adopted by
41 the **【department】** commission:

42 (1) **【a certification that meets the requirements of section 5 of**
43 **this act】** documentation of a health care practitioner's authorization
44 for the patient for the medical use of cannabis;

1 (2) an application or renewal fee, which may be based on a
2 sliding scale as determined by the **【commissioner】** executive
3 director;

4 (3) the name, address, and date of birth of the patient and each
5 designated caregiver, as applicable; and

6 (4) the name, address, and telephone number of the patient's
7 **【physician】** health care practitioner.

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

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

40 b. Before **【issuing a registry identification card】** registering an
41 individual, the **【department】** commission shall verify the
42 information contained in the application or renewal form submitted
43 pursuant to this section. In the case of a **【primary】** designated or
44 institutional caregiver, the **【department】** commission shall
45 provisionally approve an application pending the results of a
46 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】** executive director shall require
15 each applicant seeking to serve as a **【primary】** designated or
16 institutional caregiver to undergo a criminal history record
17 background check; except that no criminal history record
18 background check shall be required for an applicant seeking to
19 serve as a designated caregiver if the applicant is an immediate
20 family member of the patient, and no criminal history record
21 background check shall be required for an applicant seeking to
22 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 executive director is authorized to exchange fingerprint data with
26 and receive criminal history record background information from
27 the Division of State Police and the Federal Bureau of Investigation
28 consistent with the provisions of applicable federal and State laws,
29 rules, and regulations. The Division of State Police shall forward
30 criminal history record background information to the
31 **【commissioner】** executive director in a timely manner when
32 requested pursuant to the provisions of this section.

33 An applicant seeking to serve as a **【primary】** designated or
34 institutional caregiver who is required to complete a criminal
35 history record background check pursuant to this section shall
36 submit to being fingerprinted in accordance with applicable State
37 and federal laws, rules, and regulations. No check of criminal
38 history record background information shall be performed pursuant
39 to this section unless the applicant has furnished **【his】** the
40 applicant's written consent to that check. An applicant who is
41 required to complete a criminal history record background check
42 pursuant to this section who refuses to consent to, or cooperate in,
43 the securing of a check of criminal history record background
44 information shall not be considered for inclusion in the registry as a
45 **【primary】** designated or institutional caregiver **【or issuance of an**
46 **identification card】**. An applicant shall bear the cost for the

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

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

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

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

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

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

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

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

- 1 (c) the circumstances under which the crime or offense
2 occurred;
- 3 (d) the date of the crime or offense;
- 4 (e) the age of the individual when the crime or offense was
5 committed;
- 6 (f) whether the crime or offense was an isolated or repeated
7 incident;
- 8 (g) any social conditions which may have contributed to the
9 commission of the crime or offense; and
- 10 (h) any evidence of rehabilitation, including good conduct in
11 prison or in the community, counseling or psychiatric treatment
12 received, acquisition of additional academic or vocational
13 schooling, successful participation in correctional work-release
14 programs, or the recommendation of those who have had the
15 individual under their supervision.
- 16 d. **[A registry identification card]** A verification of registration
17 issued by the commission shall contain the following information:
- 18 (1) (a) in the case of a patient or designated caregiver
19 registration, the name, address, and date of birth of the patient and
20 **[primary]** each designated caregiver, if applicable; and
- 21 (b) in the case of an institutional caregiver, the caregiver's name
22 and date of birth and the name and address of the health care
23 facility at which the caregiver is serving as institutional caregiver;
- 24 (2) the expiration date of the **[registry identification card]**
25 registration;
- 26 (3) photo identification of the **[cardholder]** registrant; and
- 27 (4) such other information that the **[department]** commission
28 may specify by regulation.
- 29 e. (1) A patient who has been **[issued a registry identification**
30 **card]** registered by the commission shall notify the **[department]**
31 commission of any change in the patient's name, address, or
32 **[physician]** health care practitioner or change in status of the
33 patient's **[debilitating]** qualifying medical condition, within 10 days
34 of such change, or the **[registry identification card]** patient's
35 registration shall be deemed null and void.
- 36 (2) A **[primary]** designated caregiver who has been **[issued a**
37 **registry identification card]** registered by the commission shall
38 notify the **[department]** commission of any change in the
39 caregiver's name or address within 10 days of such change, or the
40 **[registry identification card]** caregiver's registration shall be
41 deemed null and void.
- 42 (3) An institutional caregiver who has been registered by the
43 commission shall notify the commission of any change in the
44 caregiver's name, address, employment by a health care facility at
45 which the caregiver is registered to serve as institutional caregiver,
46 or authorization from the health care facility to assist qualifying

1 patients with the medical use of cannabis, within 10 days of such
2 change, or the caregiver's registration shall be deemed null and
3 void and the individual shall be deemed ineligible to serve as an
4 institutional caregiver for a period of not less than one year.

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

14 (1) authorized employees of the **【department】** commission and
15 the Division of Consumer Affairs in the Department of Law and
16 Public Safety as necessary to perform official duties of the
17 **【department】** commission and the division, as applicable; and

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

23 g. Applying for **【or receiving a registry card】** registration or
24 being registered by the commission does not constitute a waiver of
25 the qualifying patient's **【patient-physician】** practitioner-patient
26 privilege.

27 h. An applicant seeking to serve as an institutional caregiver
28 shall submit with the application a certification executed by the
29 director or administrator of the health care facility employing the
30 applicant attesting that:

31 (1) the facility has authorized the applicant to assist registered
32 qualifying patients at the facility with the medical use of cannabis,
33 including obtaining medical cannabis from a medical cannabis
34 dispensary and assisting registered qualifying patients with the
35 administration of medical cannabis;

36 (2) the facility has established protocols and procedures and
37 implemented security measures to ensure that any medical cannabis
38 obtained by an institutional caregiver that is transported by the
39 caregiver to the facility is transported in a safe and secure manner
40 that prevents theft, diversion, adulteration, and access by
41 unauthorized individuals, and that any medical cannabis present at
42 the facility is stored in a safe and secure manner that prevents theft,
43 diversion, adulteration, and access by unauthorized individuals;

44 (3) the facility has established protocols and procedures to
45 review the medications and treatment plans of registered qualifying
46 patients at the facility to ensure that the patient's medical use of

1 cannabis will not result in adverse drug interactions, side effects, or
2 other complications that could significantly jeopardize the health or
3 safety of the patient;

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

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

13 (6) the facility will promptly notify the executive director in the
14 event that:

15 (a) an institutional caregiver registered with the commission
16 pursuant to this section ceases to be employed by the facility or
17 ceases to be authorized by the facility to assist registered qualifying
18 patients with the medical use of cannabis, in which case, upon
19 receipt of the notification, the executive director shall immediately
20 revoke the institutional caregiver's registration; or

21 (b) an institutional caregiver registered with the commission
22 pursuant to this section, who completed a criminal history record
23 background check as a condition of professional licensure or
24 certification, is convicted of a crime or offense in this State after the
25 date the criminal history background check was performed, in
26 which case, upon receipt of that notification, the executive director
27 shall make a determination regarding the continued eligibility of the
28 applicant to serve as an institutional caregiver.

29 Nothing in this section shall be deemed to require any facility to
30 authorize any employee of the facility to serve as an institutional
31 caregiver or to issue a certification that meets the requirements of
32 this subsection.

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

34

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

39 b. When authorizing a qualifying patient who is a minor for the
40 medical use of cannabis, if the treating health care practitioner is
41 not a pediatric specialist, the treating health care practitioner shall,
42 prior to authorizing the patient for the medical use of cannabis,
43 obtain written confirmation from a health care practitioner who is a
44 pediatric specialist establishing, in that health care practitioner's
45 professional opinion, and following an examination of the minor
46 patient or review of the minor patient's medical record, that the
47 minor patient is likely to receive therapeutic or palliative benefits

1 from the medical use of cannabis to treat or alleviate symptoms
2 associated with the patient's qualifying medical condition. If the
3 treating health care practitioner is a pediatric specialist, no
4 additional written confirmation from any other health care
5 practitioner shall be required as a condition of authorizing the
6 patient for the medical use of cannabis.

7 c. No authorization for the medical use of cannabis may be
8 issued by a health care practitioner to the practitioner's own self or
9 to a member of the practitioner's immediate family.

10 d. The commission shall establish a process to allow medical
11 cannabis to be dispensed to a patient who has been authorized for
12 the medical use of cannabis and who has initiated the process of
13 registering with the commission pursuant to section 4 of P.L.2009,
14 c.307 (C.24:6I-4), but whose registration has not been completed or
15 subject to other final action by the commission. A patient may be
16 dispensed medical cannabis in quantities of up to a two-week
17 supply during the pendency of the patient's registration, after which
18 time the patient may be dispensed medical cannabis in an amount
19 consistent with the requirements of section 10 of P.L.2009, c.307
20 (C.24:6I-10). The commission shall impose such restrictions on
21 access to medical cannabis pursuant to this subsection as shall be
22 necessary to protect against fraud, abuse, and diversion.

23

24 6. (New section) a. Except as provided in subsection b. of this
25 section, no health care practitioner who has authorized a patient for
26 the medical use of cannabis pursuant to P.L.2009, c.307 (C.24:6I-1
27 et al.) within the past 90 days, and no member of such health care
28 practitioner's immediate family, shall be an interest holder in, or
29 receive any form of direct or indirect compensation from, any
30 medical cannabis cultivator, medical cannabis manufacturer,
31 medical cannabis dispensary, or clinical registrant.

32 b. Nothing in subsection a. of this section shall be construed to
33 prevent a health care practitioner from serving on the governing
34 board of a medical cannabis cultivator, medical cannabis
35 manufacturer, medical cannabis dispensary, or clinical registrant, or
36 on the medical advisory board of a medical cannabis cultivator,
37 medical cannabis manufacturer, medical cannabis dispensary, or
38 clinical registrant established pursuant to section 15 of
39 P.L. , c. (C.) (pending before the Legislature as this bill),
40 or from receiving a reasonable stipend for such service, provided
41 that:

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

45 (2) the amount of the stipend is not based on patient volumes at
46 any medical cannabis dispensary or clinical registrant or on the
47 number of authorizations for the medical use of cannabis issued by

1 the health care practitioner pursuant to P.L.2009, c.307 (C.24:6I-
2 1 et al.).

3 c. A health care practitioner, or an immediate family member
4 of a health care practitioner, who applies to be an owner, director,
5 officer, or employee of a medical cannabis cultivator, medical
6 cannabis manufacturer, medical cannabis dispensary, or clinical
7 registrant, or who otherwise seeks to be an interest holder in, or
8 receive any form of direct or indirect compensation from, a medical
9 cannabis cultivator, medical cannabis manufacturer, medical
10 cannabis dispensary, or clinical registrant, shall certify that the
11 health care practitioner has not authorized a patient for the medical
12 use of cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) within
13 the 90 days immediately preceding the date of the application.

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

16

17 7. (New section) a. An individual who is registered as a
18 qualifying patient in another state or jurisdiction within the United
19 States that authorizes the medical use of cannabis shall be
20 considered a registered qualifying patient for the purposes of
21 P.L.2009, c.307 (C.24:6I-1 et al.) for a period of up to six months,
22 provided that the individual possesses both proof of registration in,
23 and a valid photo identification card issued by, the other state or
24 jurisdiction. During the six month period, the individual shall be
25 authorized to possess and use medical cannabis and engage in such
26 other conduct related to medical cannabis in New Jersey as is
27 consistent with the requirements of P.L.2009, c.307 (C.24:6I-
28 1 et al.) and the laws of the state or jurisdiction in which the patient
29 is registered, except that medical cannabis shall not be dispensed to
30 the individual unless a health care practitioner licensed in New
31 Jersey issues written instructions for the individual that meet the
32 requirements of section 10 of P.L.2009, c.307 (C.24:6I-10). No
33 individual shall be authorized to acquire, possess, use, or engage in
34 other conduct in connection with medical cannabis in New Jersey
35 pursuant to a medical cannabis registration from another state or
36 jurisdiction for more than six months unless the individual registers
37 with the commission as a qualifying patient pursuant to section 4 of
38 P.L.2009, c.307 (C.24:6I-4).

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

1 engage in such other conduct in connection with medical cannabis
2 in New Jersey as is consistent with the requirements of P.L.2009,
3 c.307 (C.24:6I-1 et al.) and the laws of the state or jurisdiction in
4 which the caregiver is registered, except that medical cannabis shall
5 not be dispensed to the individual on behalf of a registered
6 qualifying patient unless a health care practitioner licensed in New
7 Jersey issues written instructions for the registered qualifying
8 patient that meet the requirements of section 10 of P.L.2009, c.307
9 (C.24:6I-10). No individual shall be authorized to assist a registered
10 qualifying patient with the medical use of cannabis 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 designated caregiver pursuant to section 4
15 of P.L.2009, c.307 (C.24:6I-4).

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

19

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

22 6. a. The provisions of N.J.S.2C:35-18 shall apply to any
23 qualifying patient, **【primary】** designated caregiver, 【alternative
24 treatment center, physician】 institutional caregiver, health care
25 facility, medical cannabis cultivator, medical cannabis
26 manufacturer, medical cannabis dispensary, health care practitioner,
27 academic medical center, clinical registrant, testing laboratory, or
28 any other person acting in accordance with the provisions of
29 P.L.2009, c.307 (C.24:6I-1 et al.) **【or】** , P.L.2015, c.158 (C.18A:40-
30 12.22 et al.), or P.L. , c. (C.) (pending before the
31 Legislature as this bill).

32 b. A qualifying patient, **【primary】** designated caregiver,
33 **【alternative treatment center, physician】** institutional caregiver,
34 health care facility, medical cannabis cultivator, medical cannabis
35 manufacturer, medical cannabis dispensary, health care practitioner,
36 academic medical center, clinical registrant, testing laboratory, or
37 any other person acting in accordance with the provisions of
38 P.L.2009, c.307 (C.24:6I-1 et al.) **【or】** , P.L.2015, c.158 (C.18A:40-
39 12.22 et al.), or P.L. , c. (C.) (pending before the
40 Legislature as this bill) shall not be subject to any civil or
41 administrative penalty, or denied any right or privilege, including,
42 but not limited to, civil penalty or disciplinary action by a
43 professional licensing board, related to the medical use of
44 **【marijuana】** cannabis as authorized under P.L.2009, c.307 (C.24:6I-
45 1 et al.) **【or】** , P.L.2015, c.158 (C.18A:40-12.22 et al.),

1 or P.L. , c. (C.) (pending before the Legislature as this
2 bill).

3 c. **【Possession of】** Registration with the commission, or
4 application for registration by the commission, 【a registry
5 identification card】 shall not alone constitute probable cause to
6 search the person or the property of the 【person possessing or
7 applying for the registry identification card】 registrant or applicant,
8 or otherwise subject the person or 【his】 the person’s property to
9 inspection by any governmental agency.

10 d. The provisions of section 2 of P.L.1939, c.248 (C.26:2-82),
11 relating to destruction of **【marijuana】** cannabis determined to exist
12 by the **【department】** commission, shall not apply if a qualifying
13 patient **【or primary】**, designated caregiver, or institutional caregiver
14 **【has in his possession a registry identification card】** is registered
15 with the commission and is in possession of no more than the
16 maximum amount of usable **【marijuana】** cannabis that may be
17 obtained in accordance with section 10 of P.L.2009, c.307 (C.24:6I-
18 10).

19 e. No person shall be subject to arrest or prosecution for
20 constructive possession, conspiracy, or any other offense for simply
21 being in the presence or vicinity of the medical use of **【marijuana】**
22 cannabis as authorized under P.L.2009, c.307 (C.24:6I-1 et al.) **【or】**
23 P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.)
24 (pending before the Legislature as this bill).

25 f. No custodial parent, guardian, or person who has legal
26 custody of a qualifying patient who is a minor shall be subject to
27 arrest or prosecution for constructive possession, conspiracy, or any
28 other offense for assisting the minor in the medical use of
29 **【marijuana】** cannabis as authorized under P.L.2009, c.307 (C.24:6I-
30 1 et al.) **【or】** P.L.2015, c.158 (C.18A:40-12.22 et al.), or
31 P.L. , c. (C.) (pending before the Legislature as this bill).

32 g. For the purposes of medical care, including organ
33 transplants, a qualifying patient’s authorized use of medical
34 cannabis in accordance with the provisions of P.L.2009, c.307
35 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), and
36 P.L. , c. (C.) (pending before the Legislature as this bill),
37 shall be considered equivalent to the authorized use of any other
38 medication used at the direction of a health care practitioner, and
39 shall not constitute the use of an illicit substance or otherwise
40 disqualify a qualifying patient from needed medical care.

41 h. No public or private school or institution of higher education
42 may refuse to enroll a person based solely on the person’s status as
43 a registrant with the commission, unless failing to do so would
44 result in the school or institution losing a monetary or licensing-
45 related benefit granted pursuant to federal law. No public or private
46 school or institution of higher education shall be penalized or

1 denied any benefit under State law solely on the basis of enrolling a
2 person who is registered with the commission.

3 i. No person shall refuse to rent, lease, or sublease any real
4 property or part or portion thereof, or discriminate in the terms,
5 conditions, or privileges of the rental or lease of any real property
6 or part or portion thereof or in the furnishing of facilities or services
7 in connection therewith, based solely on the status of the
8 prospective tenant as a registrant with the commission, unless
9 failing to do so would result in the person losing a monetary or
10 licensing-related benefit granted pursuant to federal law. No such
11 person shall be penalized or denied any benefit under State law
12 solely on the basis of renting or leasing real property to a person
13 who is registered with the commission.

14 j. No person shall be denied, or subject to adverse action in
15 connection with, any license, certification, or permit issued
16 pursuant to State law solely based on the person's status as a
17 registrant with the commission, unless issuance or continuance of
18 the license, certification, or permit would result in the licensing or
19 permitting agency losing federal certification, federal funding, or
20 other benefits granted pursuant to federal law.

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

36 (2) No health care facility shall be penalized or denied any
37 benefit under State law solely on the basis of employing or
38 maintaining a professional affiliation with a health care practitioner
39 who engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
40 1 et al.) and P.L. , c. (C.) (pending before the Legislature
41 as this bill).

42 l. Unless failing to do so would result in the insurer or
43 insurance association losing a monetary or licensing-related benefit
44 granted pursuant to federal law, an insurer or insurance association
45 authorized to issue medical malpractice liability insurance in New
46 Jersey shall not deny coverage to a health care practitioner, increase
47 the amount of premiums or deductibles under the policy, or charge

1 any additional fees in connection with the policy, solely based on
2 the health care practitioner engaging in conduct authorized under
3 P.L.2009, c.307 (C.24:6I-1 et al.) or P.L. , c. (C.) (pending
4 before the Legislature as this bill), including, but not limited to,
5 authorizing qualifying patients for the medical use of cannabis,
6 issuing written instructions pursuant to section 10 of P.L.2009,
7 c.307 (C.24:6I-10), and consulting with patients regarding the use
8 of medical cannabis to treat a qualifying medical condition. No
9 insurer or insurance association shall be penalized or denied any
10 benefit under State law solely on the basis of providing medical
11 malpractice liability insurance to a health care practitioner who
12 engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
13 1 et al.) or P.L. , c. (C.) (pending before the Legislature as
14 this bill).

15 m. A person's status as a registered qualifying patient, a
16 designated or institutional caregiver, or an owner, director, officer,
17 or employee of a medical cannabis cultivator, medical cannabis
18 manufacturer, medical cannabis dispensary, or clinical registrant
19 shall not constitute the sole grounds for entering an order that
20 restricts or denies custody of, or visitation with, a minor child of the
21 person.

22 n. (1) No health care facility shall be penalized or denied any
23 benefit under State law solely for permitting or prohibiting the
24 handling, administration, usage, or storage of medical cannabis,
25 provided that the facility's policies related to medical cannabis are
26 consistent with all other facility policies concerning medication
27 handling, administration, usage, or storage.

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

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

33

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

38 b. (1) If an employer has a drug testing policy and an
39 employee or job applicant tests positive for cannabis, the employer
40 shall offer the employee or job applicant an opportunity to present a
41 legitimate medical explanation for the positive test result, and shall
42 provide written notice of the right to explain to the employee or job
43 applicant.

44 (2) Within three working days after receiving notice pursuant to
45 paragraph (1) of this subsection, the employee or job applicant may
46 submit information to the employer to explain the positive test
47 result, or may request a confirmatory retest of the original sample at

1 the employee's or job applicant's own expense. As part of an
2 employee's or job applicant's explanation for the positive test
3 result, the employee or job applicant may present an authorization
4 for medical cannabis issued by a health care practitioner, proof of
5 registration with the commission, or both.

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

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

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

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

18

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

21 7. a. (1) The **【department】** commission shall accept
22 applications from entities for permits to operate as **【alternative**
23 **treatment centers and may charge a reasonable fee for the issuance**
24 **of a permit under this section】** medical cannabis cultivators,
25 medical cannabis manufacturers, and medical cannabis dispensaries.

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

28 (i) an applicant may concurrently hold a medical cannabis
29 cultivator permit and a medical cannabis manufacturer permit, but
30 shall not be authorized to hold a medical cannabis dispensary
31 permit; and

32 (ii) an applicant who holds a medical cannabis dispensary permit
33 shall not be authorized to concurrently hold a medical cannabis
34 cultivator permit or a medical cannabis manufacturer permit.

35 (b) Commencing 18 months after the effective date of
36 P.L. , c. (C.) (pending before the Legislature as this bill), a
37 permit holder shall be authorized to concurrently hold a medical
38 cannabis cultivator permit, a medical cannabis manufacturer permit,
39 and a medical cannabis dispensary permit, provided that no permit
40 holder shall be authorized to concurrently hold more than one
41 permit of each type. The permit holder may submit an application
42 for a permit of any type that the permit holder does not currently
43 hold prior to the expiration of the 18 month period described in
44 subparagraph (a) of this paragraph, provided that no permit shall be
45 awarded to the permit holder during the 18 month period if issuance
46 of the permit would violate the restrictions set forth in subparagraph

1 (a) of this paragraph concerning the types of permits that may be
2 concurrently held during the 18 month period.

3 (c) The provisions of subparagraph (a) of this paragraph shall
4 not apply to any alternative treatment center that was issued a
5 permit prior to the effective date of P.L. , c. (C.) (pending
6 before the Legislature as this bill), to any alternative treatment
7 center that was issued a permit after the effective date of
8 P.L. , c. (C.) (pending before the Legislature as this bill)
9 pursuant to an application submitted prior to the effective date of
10 P.L. , c. (C.) (pending before the Legislature as this bill),
11 or to one of the six alternative treatment centers issued a permit
12 pursuant to section 11 of P.L. , c. (C.) (pending before the
13 Legislature as this bill) that are expressly exempt from the
14 provisions of subparagraph (a) of this paragraph, which alternative
15 treatment centers shall be deemed to concurrently hold a medical
16 cannabis cultivator permit, a medical cannabis manufacturer permit,
17 and a medical cannabis dispensary permit, and shall be authorized
18 to engage in any conduct authorized pursuant to those permits in
19 relation to the cultivation, manufacturing, and dispensing of
20 medical cannabis. In addition, an alternative treatment center that
21 was issued a permit prior to the effective date of
22 P.L. , c. (C.) (pending before the Legislature as this bill),
23 an alternative treatment center that was issued a permit after the
24 effective date of P.L. , c. (C.) (pending before the
25 Legislature as this bill) pursuant to an application submitted prior to
26 the effective date of P.L. , c. (C.) (pending before the
27 Legislature as this bill), and the six alternative treatment center
28 permits issued pursuant to section 11 of P.L. , c. (C.)
29 (pending before the Legislature as this bill) that are expressly
30 exempt from the provisions of subparagraph (a) of this paragraph
31 shall, upon the effective date of P.L. , c. (C.) (pending
32 before the Legislature as Senate Bill No. 2703), be deemed to either
33 hold a Class 3 Cannabis Wholesaler license or concurrently hold a
34 Class 1 Cannabis Grower license, a Class 2 Cannabis Processor
35 license, and a Class 4 Cannabis Retailer license, plus an additional
36 Class 4 Cannabis Retailer license for each satellite dispensary that
37 was approved pursuant to an application submitted prior to or
38 within 18 months after the effective date of P.L. , c. (C.)
39 (pending before the Legislature as this bill), subject to the
40 requirements of subparagraph (d) of this paragraph. In no case may
41 an alternative treatment center holding a Class 3 Cannabis
42 Wholesaler license concurrently hold a Class I Cannabis Grower
43 license, Class 2 Cannabis Processor license, or Class 4 Cannabis
44 Retailer license; and in no case may an alternative treatment center
45 holding a Class 1 Cannabis Grower license, a Class 2 Cannabis
46 Processor license, a Class 4 Cannabis Retailer license, or any
47 combination thereof, concurrently hold a Class 3 Cannabis

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

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

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

1 cultivator permit, a medical cannabis manufacturer permit, or a
2 medical cannabis dispensary permit.

3 (3) The **【department】** commission shall seek to ensure the
4 availability of a sufficient number of **【alternative treatment centers】**
5 medical cannabis cultivators, medical cannabis manufacturers, and
6 medical cannabis dispensaries throughout the State, pursuant to
7 need, including at least two each in the northern, central, and
8 southern regions of the State. **【The first two centers issued a permit**
9 **in each region shall be nonprofit entities, and centers subsequently】**
10 Medical cannabis cultivators, medical cannabis manufacturers, and
11 medical cannabis dispensaries issued permits pursuant to this
12 section may be nonprofit or for-profit entities.

13 **【An alternative treatment center】**

14 (4) The commission shall periodically evaluate whether the
15 number of medical cannabis cultivator, medical cannabis
16 manufacturer, and medical cannabis dispensary permits issued are
17 sufficient to meet the needs of qualifying patients in the State, and
18 shall make requests for applications and issue such additional
19 permits as shall be necessary to meet those needs. The types of
20 permits requested and issued, and the locations of any additional
21 permits that are authorized, shall be in the discretion of the
22 executive director based on the needs of qualifying patients in the
23 State.

24 (5) (a) A medical cannabis cultivator shall be authorized to:
25 acquire a reasonable initial and ongoing inventory, as determined
26 by the **【department】** commission, of **【marijuana】** cannabis seeds or
27 seedlings and paraphernalia **【,】** ; possess, cultivate, plant, grow,
28 harvest, **【process, display, manufacture,】** and package medical
29 cannabis, including prerolled forms, for any authorized purpose,
30 including, but not limited to, research purposes; and deliver,
31 transfer, transport, distribute, supply, or sell **【, or dispense】** medical
32 **【marijuana】** cannabis **【, or】** and related supplies to any medical
33 cannabis cultivator, medical cannabis manufacturer, medical
34 cannabis dispensary, or clinical registrant in the State. In no case
35 shall a medical cannabis cultivator or clinical registrant operate or
36 be located on land that is valued, assessed or taxed as an
37 agricultural or horticultural use pursuant to the "Farmland
38 Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

39 (b) A medical cannabis manufacturer shall be authorized to:
40 purchase or obtain medical cannabis from any medical cannabis
41 cultivator, medical cannabis manufacturer, or clinical registrant in
42 the State; possess and utilize medical cannabis in the manufacture,
43 production, and creation of medical cannabis products; and deliver,
44 transfer, transport, supply, or sell medical cannabis products and
45 related supplies to any medical cannabis manufacturer, medical
46 cannabis dispensary, or clinical registrant in the State.

1 (c) A medical cannabis dispensary shall be authorized to:
2 purchase or acquire medical cannabis from any medical cannabis
3 cultivator, medical cannabis dispensary, or clinical registrant in the
4 State and medical cannabis products and related supplies from any
5 medical cannabis manufacturer, medical cannabis dispensary, or
6 clinical registrant in the State; purchase or acquire paraphernalia
7 from any legal source; and distribute, supply, sell, or dispense
8 medical cannabis, medical cannabis products, paraphernalia, and
9 related supplies to qualifying patients or their [primary] designated
10 or institutional caregivers who are registered with the [department]
11 commission pursuant to section 4 of [this act] P.L.2009, c.307
12 (C.24:6I-4). [An alternative treatment center]

13 (6) A medical cannabis cultivator shall not be limited in the
14 number of strains of medical [marijuana] cannabis cultivated, and a
15 medical cannabis manufacturer shall not be limited in the number or
16 type of medical cannabis products manufactured, produced, or
17 created. A medical cannabis manufacturer may package, and a
18 medical cannabis dispensary may directly dispense [marijuana]
19 medical cannabis and medical cannabis products to qualifying
20 patients and their designated and institutional caregivers in any
21 authorized form. Authorized forms shall include dried form, oral
22 lozenges, topical formulations, transdermal form, sublingual form,
23 tincture form, or edible form, or any other form as authorized by the
24 [commissioner] executive director. Edible form shall include
25 tablets, capsules, drops or syrups, oils, and any other form as
26 authorized by the [commissioner] executive director. [Edible
27 forms shall be available only to qualifying patients who are minors.

28 Applicants for authorization as nonprofit alternative treatment
29 centers shall be subject to all applicable State laws governing
30 nonprofit entities, but]

31 (7) Nonprofit medical cannabis cultivators, medical cannabis
32 manufacturers, and medical cannabis dispensaries need not be
33 recognized as a 501(c)(3) organization by the federal Internal
34 Revenue Service.

35 b. The [department] commission shall require that an applicant
36 provide such information as the [department] commission
37 determines to be necessary pursuant to regulations adopted pursuant
38 to [this act] P.L.2009, c.307 (C.24:6I-1 et al.).

39 c. A person who has been convicted of a crime of the first,
40 second, or third degree under New Jersey law or of a crime
41 involving any controlled dangerous substance or controlled
42 substance analog as set forth in chapter 35 of Title 2C of the New
43 Jersey Statutes except paragraph (4) of subsection a. of
44 N.J.S.2C:35-10, or any similar law of the United States or any other
45 state shall not be issued a permit to operate as [an alternative
46 treatment center] a medical cannabis cultivator, medical cannabis

1 manufacturer, medical cannabis dispensary, or clinical registrant or
2 be a director, officer, or employee of [an alternative treatment
3 center] a medical cannabis cultivator, medical cannabis
4 manufacturer, medical cannabis dispensary, or clinical registrant,
5 unless such conviction occurred after the effective date of [this act]
6 P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of federal
7 law relating to possession or sale of [marijuana] cannabis for
8 conduct that is authorized under [this act] P.L.2009, c.307
9 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or
10 P.L. , c. (C.) (pending before the Legislature as this bill).

11 d. (1) The [commissioner] executive director shall require
12 each applicant seeking a permit to operate as [an alternative
13 treatment center] , to be a director, officer, or employee of, or to be
14 an investor in, a medical cannabis cultivator, medical cannabis
15 manufacturer, medical cannabis dispensary, or clinical registrant to
16 undergo a criminal history record background check, except that no
17 criminal history record background check shall be required for an
18 individual who holds less than a five percent investment interest in
19 the medical cannabis cultivator, medical cannabis manufacturer,
20 medical cannabis dispensary, or clinical registrant or who is a
21 member of a group that holds less than a 20 percent investment
22 interest in the medical cannabis cultivator, medical cannabis
23 manufacturer, medical cannabis dispensary, or clinical registrant
24 where no member of the group holds more than a five percent
25 interest in the total group investment interest, and the individual or
26 group lacks the authority to make controlling decisions regarding
27 medical cannabis cultivator, medical cannabis manufacturer,
28 medical cannabis dispensary, or clinical registrant operations.

29 In the event that an individual who is exempt from the criminal
30 history record background check requirement of this section
31 subsequently acquires an investment interest of five percent or more
32 in the medical cannabis cultivator, medical cannabis manufacturer,
33 medical cannabis dispensary, or clinical registrant, or a group that is
34 exempt from the criminal history record background check
35 requirement of this section subsequently acquires an investment
36 interest of 20 percent or more in the medical cannabis cultivator,
37 medical cannabis manufacturer, medical cannabis dispensary, or
38 clinical registrant or any member of the group acquires more than a
39 five percent interest in the total group investment interest, or the
40 individual or group gains the authority to make controlling
41 decisions regarding medical cannabis cultivator, medical cannabis
42 manufacturer, medical cannabis dispensary, or clinical registrant
43 operations, the individual or the members of the group, as
44 applicable, shall notify the commission and shall complete a
45 criminal history record background check and provide all
46 information as may be required by the commission no later than 30

1 days after the date that such change occurs, or any permit issued to
2 the individual or group shall be revoked and the individual or group
3 shall be deemed ineligible to hold any ownership or investment
4 interest in a medical cannabis cultivator, medical cannabis
5 manufacturer, medical cannabis dispensary, or clinical registrant for
6 a period of two years, commencing from the date of revocation.

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

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

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

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

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

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

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

34 (5) Notwithstanding the provisions of subsection **【b.】** c. of this
35 section to the contrary, the **【commissioner】** executive director may
36 offer provisional authority for an applicant to be an owner, director,
37 officer, or employee of 【an alternative treatment center】 , or an
38 investor in, a medical cannabis cultivator, medical cannabis
39 manufacturer, medical cannabis dispensary, or clinical registrant for
40 a period not to exceed three months if the applicant submits to the
41 **【commissioner】** executive director a sworn statement attesting that
42 the person has not been convicted of any disqualifying conviction
43 pursuant to this section.

44 (6) Notwithstanding the provisions of subsection **【b.】** c. of this
45 section to the contrary, no applicant to be an owner, director,
46 officer, or employee of 【an alternative treatment center】 , or an

1 investor in, a medical cannabis cultivator, medical cannabis
2 manufacturer, medical cannabis dispensary, or clinical registrant
3 shall be disqualified on the basis of any conviction disclosed by a
4 criminal history record background check conducted pursuant to
5 this section if the individual has affirmatively demonstrated to the
6 **【commissioner】** executive director clear and convincing evidence
7 of rehabilitation. In determining whether clear and convincing
8 evidence of rehabilitation has been demonstrated, the following
9 factors shall be considered:

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

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

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

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

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

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

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

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

28 e. The **【department】** commission shall issue a permit to **【a**
29 **person to】** operate **【as an alternative treatment center】** or be an
30 owner, director, officer, or employee of, or an investor in, a medical
31 cannabis cultivator, medical cannabis manufacturer, or medical
32 cannabis dispensary if the **【department】** commission finds that
33 issuing such a permit would be consistent with the purposes of **【this**
34 **act】** P.L.2009, c.307 (C.24:6I-1 et al.) and the requirements of this
35 section and section 11 of P.L. , c. (C.) (pending before the
36 Legislature as this bill) are met **【and the department has verified the**
37 **information contained in the application. The department shall**
38 **approve or deny an application within 60 days after receipt of a**
39 **completed application】**. The denial of an application shall be
40 considered a final agency decision, subject to review by the
41 Appellate Division of the Superior Court. **【The department may**
42 **suspend or revoke a permit to operate as an alternative treatment**
43 **center for cause, which shall be subject to review by the Appellate**
44 **Division of the Superior Court】** An initial permit to operate a
45 medical cannabis cultivator, medical cannabis manufacturer, or
46 medical cannabis dispensary issued on or after the effective date of

1 P.L. , c. (C.) (pending before the Legislature as this bill)
2 shall be valid for three years. Medical cannabis cultivator, medical
3 cannabis manufacturer, and medical cannabis dispensary permits
4 shall be renewable biennially.

5 f. A person who has been issued a permit pursuant to this
6 section , a conditional permit pursuant to section 11 of
7 P.L. , c. (C.) (pending before the Legislature as this bill),
8 or a clinical registrant permit pursuant to section 13 of
9 P.L. , c. (C.) (pending before the Legislature as this bill)
10 shall display the permit or conditional permit at the front entrance
11 to the premises of the [alternative treatment center] permitted
12 facility at all times when the facility is engaged in conduct
13 authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) involving
14 medical cannabis, including, but not limited to, the cultivating,
15 manufacturing, or dispensing of medical cannabis [marijuana is
16 being produced, or dispensed to a registered qualifying patient or
17 the patient's primary caregiver].

18 g. **[An alternative treatment center]** A medical cannabis
19 cultivator, medical cannabis manufacturer, medical cannabis
20 dispensary, or clinical registrant shall report any change in
21 information to the [department] commission not later than 10 days
22 after such change, or the permit shall be deemed null and void.

23 h. **[An alternative treatment center may charge a registered**
24 **qualifying patient or primary caregiver for the reasonable costs**
25 **associated with the production and distribution of marijuana for the**
26 **cardholder]** (1) Each medical cannabis cultivator shall maintain
27 and make available through its Internet website, if any, a standard
28 price list that shall apply to all medical cannabis sold by the
29 medical cannabis cultivator to other medical cannabis cultivators
30 and to medical cannabis manufacturers, medical cannabis
31 dispensaries, and clinical registrants, which prices shall be
32 reasonable and consistent with the actual costs incurred by the
33 medical cannabis cultivator in connection with cultivating the
34 medical cannabis. The prices charged by the medical cannabis
35 cultivator shall not deviate from the prices indicated on the
36 facility's current price list.

37 (2) Each medical cannabis manufacturer shall maintain and
38 make available through its Internet website, if any, a standard price
39 list that shall apply to all medical cannabis products sold by the
40 medical cannabis manufacturer to other medical cannabis
41 manufacturers and to medical cannabis dispensaries and clinical
42 registrants, which prices shall be reasonable and consistent with the
43 actual costs incurred by the medical cannabis manufacturer in
44 connection with producing the medical cannabis product. The
45 prices charged by the medical cannabis manufacturer shall not
46 deviate from the prices indicated on the facility's current price list.

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

25 (4) Any prices a medical cannabis dispensary charges to another
26 medical cannabis dispensary or to a clinical registrant, qualifying
27 patient, designated caregiver, or institutional caregiver for medical
28 cannabis, medical cannabis products, and related supplies and
29 paraphernalia shall be reasonable and consistent with the actual
30 costs incurred by the medical cannabis dispensary in connection
31 with acquiring and selling, transferring, or dispensing the medical
32 cannabis or medical cannabis product and related supplies and
33 paraphernalia. A medical cannabis dispensary may establish a
34 written policy for making medical cannabis available at a reduced
35 price or without charge to qualifying patients who have a
36 demonstrated financial hardship, as that term shall be defined by the
37 commission by regulation.

38 (5) A price list required under paragraphs (1), (2), or (3) of this
39 subsection may be revised no more than once per month, and each
40 medical cannabis cultivator, medical cannabis manufacturer, and
41 clinical registrant shall be responsible for ensuring that the
42 commission has a copy of the facility's current price list. A
43 medical cannabis cultivator, medical cannabis manufacturer, or
44 clinical registrant shall be liable to a civil penalty of \$1,000 for
45 each sale that occurs at a price that deviates from the entity's
46 current price list, and to a civil penalty of \$10,000 for each week
47 during which the entity's current price list is not on file with the

1 commission. Any civil penalties collected by the commission
2 pursuant to this section shall be used by the commission for the
3 purposes of administering the State medical cannabis program.

4 i. The **【commissioner】** executive director shall adopt
5 regulations to:

6 (1) require such written documentation of each delivery of
7 cannabis to, and pickup of cannabis for, a registered qualifying
8 patient, including the date and amount dispensed, to be maintained
9 in the records of the **【alternative treatment center】** medical cannabis
10 dispensary or clinical registrant, as the **【commissioner】** executive
11 director determines necessary to ensure effective documentation of
12 the operations of each **【alternative treatment center】** medical
13 cannabis dispensary or clinical registrant;

14 (2) monitor, oversee, and investigate all activities performed by
15 **【an alternative treatment center】** medical cannabis cultivators,
16 medical cannabis manufacturers, medical cannabis dispensaries, and
17 clinical registrants; **【and】**

18 (3) ensure adequate security of all facilities 24 hours per day **【,**
19 including production and retail locations,】 and security of all
20 delivery methods to registered qualifying patients; and

21 (4) establish thresholds for administrative action to be taken
22 against a medical cannabis cultivator, medical cannabis
23 manufacturer, medical cannabis dispensary, or clinical registrant
24 and its employees, officers, investors, directors, or governing board
25 pursuant to subsection m. of this section, including, but not limited
26 to, specific penalties or disciplinary actions that may be imposed in
27 a summary proceeding.

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

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

45 k. The first six alternative treatment centers issued permits
46 following the effective date of P.L.2009, c.307 (C.24:6I-1 et al.)

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

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

46 m. In the event that a medical cannabis cultivator, medical
47 cannabis manufacturer, medical cannabis dispensary, or clinical

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

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

16

17 11. (New section) The commission shall, no later than 90 days
18 after the effective date of P.L. , c. (C.) (pending before the
19 Legislature as this bill) or upon adoption of rules and regulations as
20 provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-
21 16), whichever occurs first, begin accepting and processing
22 applications for new medical cannabis cultivator, medical cannabis
23 manufacturer, and medical cannabis dispensary permits.
24 Notwithstanding the provisions of subparagraph (a) of paragraph (2)
25 of subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7), the first
26 six alternative treatment center permits issued by the commission
27 pursuant to an application submitted on or after the effective date of
28 P.L. , c. (C.) (pending before the Legislature as this bill)
29 shall be deemed to concurrently hold a medical cannabis cultivator
30 permit, a medical cannabis manufacturer permit, and a medical
31 cannabis dispensary permit. Any permits issued by the commission
32 thereafter shall be subject to the provisions of subparagraph (a) of
33 paragraph (2) of subsection a. of section 7 of P.L.2009, c.307
34 (C.24:6I-7). The commission may establish nonrefundable
35 application fees for permit applications and permit fees for
36 successful applicants.

37 The commission shall make a determination as to any permit
38 application no later than 90 days after receiving the application,
39 which may include a determination that the commission reasonably
40 requires more time to adequately review the application. The
41 commission may issue a conditional permit to an applicant pending
42 the commission's final determination on the applicant's permit
43 application, provided the applicant submits a sworn statement
44 attesting that no person named in the permit application has been
45 convicted of any disqualifying conviction pursuant to subsection c.
46 of section 7 of P.L.2009, c.307 (C.24:6I-7) or that, if a person
47 named in the application has been convicted of a disqualifying

1 conviction, the person has or will submit evidence of rehabilitation.
2 The commission shall determine by regulation which permit
3 requirements are necessary for the issuance of a conditional permit
4 pursuant to this section and the scope of conduct authorized under a
5 conditional permit, and shall establish the terms, conditions, and
6 restrictions for such conditional permit as may be necessary and
7 appropriate.

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

20
21 12. (New section) a. Each application for an initial three-year
22 medical cannabis cultivator permit, medical cannabis manufacturer
23 permit, and medical cannabis dispensary permit, and each
24 application for biennial renewal of such permit, shall be submitted
25 to the commission. A full, separate application shall be required for
26 each initial permit requested by the applicant and for each location
27 at which an applicant seeks to operate, regardless of whether the
28 applicant was previously issued, or currently holds, a medical
29 cannabis cultivator, medical cannabis manufacturer, medical
30 cannabis dispensary, or clinical registrant permit. Renewal
31 applications shall be submitted to the commission on a form and in
32 a manner as shall be specified by the commission no later than 90
33 days before the date the current permit will expire.

34 b. An initial permit application shall be evaluated according to
35 criteria to be developed by the commission. The commission shall
36 determine the point values to be assigned to each criterion, which
37 shall include bonus points for applicants who are residents of New
38 Jersey.

39 c. The criteria to be developed by the commission pursuant to
40 subsection b. of this section shall include, in addition to the criteria
41 set forth in subsections d. and e. of this section and any other
42 criteria developed by the commission, an analysis of the applicant's
43 operating plan, excluding safety and security criteria, which shall
44 include the following:

45 (1) In the case of an applicant for a medical cannabis cultivator
46 permit, the operating plan summary shall include a written

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

- 1 integrity of those ingredients and their potential to be or contain
2 allergens;
- 3 (m) waste disposal plans; and
4 (n) compliance with applicable laws and regulations.
- 5 (3) In the case of an applicant for a medical cannabis dispensary
6 permit, the operating plan summary shall include a written
7 description concerning the applicant's qualifications for, experience
8 in, and knowledge of each of the following topics:
- 9 (a) State-authorized dispensation of medical cannabis to
10 qualifying patients;
- 11 (b) healthcare, medicine, and treatment of patients with
12 qualifying medical conditions;
- 13 (c) medical cannabis product evaluation procedures;
- 14 (d) recall plans;
- 15 (e) packaging and labeling;
- 16 (f) inventory control and point-of-sale software or systems for
17 the sale of medical cannabis;
- 18 (g) patient counseling procedures;
- 19 (h) the routes of administration, strains, varieties, and
20 cannabinoid profiles of medical cannabis and medical cannabis
21 products;
- 22 (i) odor mitigation practices;
- 23 (j) onsite and offsite recordkeeping;
- 24 (k) compliance with State and federal patient privacy rules;
- 25 (l) waste disposal plans; and
26 (m) compliance with applicable laws and regulations.
- 27 d. 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 c. and e. of this section and any other
30 criteria developed by the commission, an analysis of the following
31 factors, if applicable:
- 32 (1) The applicant's environmental impact plan.
- 33 (2) A summary of the applicant's safety and security plans and
34 procedures, which shall include descriptions of the following:
- 35 (a) plans for the use of security personnel, including
36 contractors;
- 37 (b) the experience or qualifications of security personnel and
38 proposed contractors;
- 39 (c) security and surveillance features, including descriptions of
40 any alarm systems, video surveillance systems, and access and
41 visitor management systems, along with drawings identifying the
42 proposed locations for surveillance cameras and other security
43 features;
- 44 (d) plans for the storage of medical cannabis and medical
45 cannabis products, including any safes, vaults, and climate control
46 systems that will be utilized for this purpose;
- 47 (e) a diversion prevention plan;

- 1 (f) an emergency management plan;
- 2 (g) procedures for screening, monitoring, and performing
- 3 criminal history record background checks of employees;
- 4 (h) cybersecurity procedures, including, in the case of an
- 5 applicant for a medical cannabis dispensary permit, procedures for
- 6 collecting, processing, and storing patient data, and the applicant's
- 7 familiarity with State and federal privacy laws;
- 8 (i) workplace safety plans and the applicant's familiarity with
- 9 federal Occupational Safety and Health Administration regulations;
- 10 (j) the applicant's history of workers' compensation claims and
- 11 safety assessments;
- 12 (k) procedures for reporting adverse events; and
- 13 (l) a sanitation practices plan.
- 14 (3) A summary of the applicant's business experience, including
- 15 the following, if applicable:
- 16 (a) the applicant's experience operating businesses in highly-
- 17 regulated industries;
- 18 (b) the applicant's experience in operating alternative treatment
- 19 centers and related medical cannabis production and dispensation
- 20 entities under the laws of New Jersey or any other state or
- 21 jurisdiction within the United States; and
- 22 (c) the applicant's plan to comply with and mitigate the effects
- 23 of 26 U.S.C. s.280E on cannabis businesses, and for evidence that
- 24 the applicant is not in arrears with respect to any tax obligation to
- 25 the State.
- 26 In evaluating the experience described under subparagraphs (a),
- 27 (b), and (c) of this paragraph, the commission shall afford the
- 28 greatest weight to the experience of the applicant itself, controlling
- 29 owners, and entities with common ownership or control with the
- 30 applicant; followed by the experience of those with a 15 percent or
- 31 greater ownership interest in the applicant's organization; followed
- 32 by interest holders in the applicant's organization; followed by
- 33 other officers, directors, and bona fide full-time employees of the
- 34 applicant as of the submission date of the application.
- 35 (4) A description of the proposed location for the applicant's
- 36 site, including the following, if applicable:
- 37 (a) the proposed location, the surrounding area, and the
- 38 suitability or advantages of the proposed location, along with a
- 39 floor plan and optional renderings or architectural or engineering
- 40 plans;
- 41 (b) the submission of zoning approvals for the proposed
- 42 location, which shall consist of a letter or affidavit from appropriate
- 43 municipal officials that the location will conform to municipal
- 44 zoning requirements allowing for such activities related to the
- 45 cultivation, manufacturing, or dispensing of medical cannabis,
- 46 cannabis products, and related supplies as will be conducted at the
- 47 proposed facility; and

1 (c) the submission of proof of local support for the suitability of
2 the location, which may be demonstrated by a resolution adopted by
3 the municipality's governing body indicating that the intended
4 location is appropriately located or otherwise suitable for such
5 activities related to the cultivation, manufacturing, or dispensing of
6 medical cannabis, cannabis products, and related supplies as will be
7 conducted at the proposed facility.

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

22 (5) A community impact, social responsibility, and research
23 statement, which may include, but shall not be limited to, the
24 following:

25 (a) a community impact plan summarizing how the applicant
26 intends to have a positive impact on the community in which the
27 proposed entity is to be located, which shall include an economic
28 impact plan, a description of outreach activities, and any financial
29 assistance or discount plans the applicant will provide to qualifying
30 patients and designated caregivers;

31 (b) a written description of the applicant's record of social
32 responsibility, philanthropy, and ties to the proposed host
33 community;

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

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

42 In evaluating the information submitted pursuant to
43 subparagraphs (b) and (c) of this paragraph, the commission shall
44 afford the greatest weight to the experience of the applicant itself,
45 controlling owners, and entities with common ownership or control
46 with the applicant; followed by the experience of those with a 15
47 percent or greater ownership interest in the applicant's organization;

1 followed by interest holders in the applicant's organization;
2 followed by other officers, directors, and bona fide full-time
3 employees of the applicant as of the submission date of the
4 application.

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

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

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

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

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

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

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

46 (a) the school, hospital, facility, or pharmacy has conducted or
47 participated in research approved by an institutional review board

1 related to cannabis involving the use of human subjects, except in
2 the case of an accredited school of medicine or osteopathic
3 medicine that is located and licensed in New Jersey;

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

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

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

17 (11) Any other information the commission deems relevant in
18 determining whether to grant a permit to the applicant.

19 e. In addition to the information to be submitted pursuant to
20 subsections c. and d. of this section, the commission shall require
21 all permit applicants, other than applicants issued a conditional
22 license, to submit an attestation signed by a bona fide labor
23 organization stating that the applicant has entered into a labor peace
24 agreement with such bona fide labor organization. The
25 maintenance of a labor peace agreement with a bona fide labor
26 organization shall be an ongoing material condition of maintaining
27 a medical cannabis cultivator, medical cannabis manufacturer, or
28 medical cannabis dispensary permit. The submission of an
29 attestation and maintenance of a labor peace agreement with a bona
30 fide labor organization by an applicant issued a conditional permit
31 pursuant to section 11 of P.L. , c. (C.) (pending before the
32 Legislature as this bill) shall be a requirement for final approval for
33 a permit; failure to enter into a collective bargaining agreement
34 within 200 days of the opening of a medical cannabis cultivator,
35 medical cannabis manufacturer, or medical cannabis dispensary
36 shall result in the suspension or revocation of such permit or
37 conditional permit. In reviewing initial permit applications, the
38 commission shall give priority to the following:

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

42 (2) Applicants that are party to a collective bargaining
43 agreement with a labor organization that currently represents
44 cannabis workers in another state.

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

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

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

19 g. The commission shall develop policies and procedures to
20 promote and encourage full participation in the medical cannabis
21 industry by individuals from communities that have historically
22 experienced disproportionate harm under the State's cannabis
23 prohibition and enforcement laws, and to have a positive effect on
24 those communities. The commission shall conduct a disparity study
25 to determine whether race-based measures should be considered
26 when issuing permits pursuant to this section, and shall require that
27 at least 30 percent of the total number of new medical cannabis
28 cultivator permits, medical cannabis manufacturer permits, and
29 medical cannabis dispensary permits issued on or after the effective
30 date of P.L. , c. (C.) (pending before the Legislature as this
31 bill) are issued as follows:

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

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

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

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

31 i. Application materials submitted to the commission pursuant
32 to this section shall not be considered a public record pursuant to
33 P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-
34 5 et al.).

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

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

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

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

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

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

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

23 b. The commission shall, no later than 90 days after the
24 effective date of P.L. , c. (C.) (pending before the
25 Legislature as this bill) or upon adoption of rules and regulations as
26 provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-
27 16), whichever occurs first, begin accepting and processing
28 applications for four clinical registrant permits. Thereafter, the
29 commission shall accept applications for and issue such additional
30 clinical registrant permits as it determines to be necessary and
31 consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.)
32 and P.L. , c. (C.) (pending before the Legislature as this
33 bill). The commission shall make a determination as to a clinical
34 registrant permit application no later than 90 days after receiving
35 the application, which may include a determination that the
36 commission reasonably requires more time to adequately review the
37 application.

38 c. A contract between a clinical registrant and an academic
39 medical center shall include a commitment by the academic medical
40 center, or its affiliate, to engage in clinical research related to the
41 use of medical cannabis in order to advise the clinical registrant
42 concerning patient health and safety, medical applications, and
43 dispensing and management of controlled substances, among other
44 areas. A clinical registrant issued a permit pursuant to this section
45 shall have a written contractual relationship with no more than one
46 academic medical center.

1 d. A clinical registrant issued a permit pursuant to this section
2 shall be authorized to engage in all conduct involving the
3 cultivation, processing, and dispensing of medical cannabis as is
4 authorized for an entity holding medical cannabis cultivator,
5 medical cannabis manufacturer, and medical cannabis dispensary
6 permits pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and
7 P.L. , c. (C.) (pending before the Legislature as this bill),
8 including dispensing medical cannabis and medical cannabis
9 products to qualifying patients and designated and institutional
10 caregivers. The clinical registrant shall additionally be authorized
11 to engage in clinical research involving medical cannabis using
12 qualifying patients who consent to being part of such research,
13 subject to any restrictions established by the commission.

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

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

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

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

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

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

1 physical location, provided that each location is approved by the
2 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.) and P.L. , c. (C.) (pending before the
11 Legislature as this bill). The denial of an application for relocation
12 submitted pursuant to this paragraph shall be considered a final
13 agency decision, subject to review by the Appellate Division of the
14 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.

21 g. A clinical registrant permit shall not be sold or transferred to
22 any other entity.

23 h. Clinical registrant permits shall be valid for the term of the
24 contractual relationship between the academic medical center and
25 the clinical registrant. The commission may renew a clinical
26 registrant permit to correspond to any renewal of the contractual
27 relationship between the academic medical center and the clinical
28 registrant.

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

37 j. Application materials submitted to the commission pursuant
38 to this section shall not be considered a public record pursuant to
39 P.L.1963, c.73 (C.47:1A-1 et seq.) or P.L.2001, c.404 (C.47:1A-
40 5 et al.).

41
42 14. (New section) a. (1) The commission shall, within 18
43 months following the commission's organization, and every three
44 years thereafter, conduct a feasibility study concerning the potential
45 for establishing a cannabis research and development permit type.
46 In order to advance scientific and medical understanding concerning
47 the potential uses of medical cannabis, and to ensure ongoing

1 quality control in the collection of data and the aggregation of
2 clinical, translational, and other research, the feasibility study shall
3 assess the medical cannabis market and industry, current
4 perspectives in the scientific and medical communities on medical
5 cannabis, as well as those of other relevant disciplines, to determine
6 the potential benefits of establishing a research and development
7 permit type. Any cannabis research and development permit
8 established by the commission shall be limited to advancing the use
9 of cannabis as medicine, improving the lives of current registered
10 qualifying patients as well as future patients who could derive
11 therapeutic benefit from the use of cannabis, and furthering the
12 knowledge of cannabis in the scientific and medical communities.

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

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

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

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

33 c. The commission may establish, by regulation, such
34 additional permit types in connection with medical cannabis as the
35 commission deems necessary and appropriate to maximize the
36 effectiveness and efficiency of the State medical cannabis program
37 and meet the needs of qualifying patients, health care practitioners,
38 medical cannabis cultivators, medical cannabis manufacturers,
39 medical cannabis dispensaries, and related entities. Such permits
40 may include, but shall not be limited to, permits authorizing
41 pharmacy practice sites licensed pursuant to P.L.2003, c.280
42 (C.45:14-40 et seq.) to be authorized to dispense medical cannabis
43 to qualifying patients and their designated and institutional
44 caregivers.

45

46 15. (New section) a. A medical cannabis cultivator, medical
47 cannabis manufacturer, medical cannabis dispensary, or clinical

1 registrant may appoint a medical advisory board to provide advice
2 to the medical cannabis cultivator, medical cannabis manufacturer,
3 medical cannabis dispensary, or clinical registrant on all aspects of
4 its business.

5 b. A medical advisory board appointed pursuant to this section
6 shall comprise five members: three health care practitioners
7 licensed or certified to practice in New Jersey; one qualifying
8 patient who resides in the same area in which the medical cannabis
9 cultivator, medical cannabis manufacturer, medical cannabis
10 dispensary, or clinical registrant is located; and one individual who
11 owns a business in the same area in which the medical cannabis
12 cultivator, medical cannabis manufacturer, medical cannabis
13 dispensary, or clinical registrant is located. No owner, director,
14 officer, or employee of a medical cannabis cultivator, medical
15 cannabis manufacturer, medical cannabis dispensary, or clinical
16 registrant may serve on a medical advisory board. The membership
17 of a medical advisory board shall be subject to commission
18 approval.

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

21

22 16. (New section) a. (1) An organization issued a permit to
23 operate a medical cannabis cultivator, medical cannabis
24 manufacturer, medical cannabis dispensary, or clinical registrant
25 shall not be eligible for a State or local economic incentive.

26 (2) The issuance of a permit to operate a medical cannabis
27 cultivator, medical cannabis manufacturer, cannabis dispensary, or
28 clinical registrant to an organization that has been awarded a State
29 or local economic incentive shall invalidate the right of the
30 organization to benefit from the economic incentive as of the date
31 of issuance of the permit, except that an academic medical center
32 that has entered into a contractual relationship with a clinical
33 registrant shall not have any right to benefit from an economic
34 incentive invalidated pursuant to this paragraph on the basis of that
35 contractual relationship.

36 b. (1) A property owner, developer, or operator of a project to
37 be used, in whole or in part, as a medical cannabis cultivator,
38 medical cannabis manufacturer, medical cannabis dispensary, or
39 clinical registrant shall not be eligible for a State or local economic
40 incentive during the period of time that the economic incentive is in
41 effect.

42 (2) The issuance of a permit to operate a medical cannabis
43 cultivator, medical cannabis manufacturer, medical cannabis
44 dispensary, or clinical registrant at a location that is the subject of a
45 State or local economic incentive shall invalidate the right of a
46 property owner, developer, or operator to benefit from the economic
47 incentive as of the date of issuance of the permit, except that an

1 academic medical center that has entered into a contractual
2 relationship with a clinical registrant shall not have any right to
3 benefit from an economic incentive invalidated pursuant to this
4 paragraph on the basis of that contractual relationship.

5 c. As used in this section:

6 "Business" means any non-governmental person, association,
7 for-profit or non-profit corporation, joint venture, limited liability
8 company, partnership, sole proprietorship, or other form of business
9 organization or entity.

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

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

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

21

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

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

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

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

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

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

39

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

42 10. a. A **【physician】** health care practitioner shall provide
43 written instructions for a registered qualifying patient or **【his】** the
44 patient's designated caregiver, or an institutional caregiver acting
45 on behalf of the patient, to present to **【an alternative treatment**
46 **center】** a medical cannabis dispensary or a clinical registrant

1 concerning the total amount of usable **【marijuana】** cannabis that a
2 patient may be dispensed, in weight, in a 30-day period, which
3 amount shall not exceed **【two ounces**. If no amount is noted, the
4 maximum amount that may be dispensed at one time is two ounces**】**
5 the maximum amount that may be authorized for the patient
6 pursuant to subsection f. of this section.

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

11 (1) Each separate set of instructions shall be issued for a
12 legitimate medical purpose by the **【physician】** health care
13 practitioner, as provided in **【this act】** P.L.2009, c.307 (C.24:6I-
14 1 et al.);

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

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

22 c. A registered qualifying patient or **【his primary】** the patient's
23 designated caregiver, or an institutional caregiver acting on behalf
24 of a qualifying patient, shall present verification of the patient's or
25 caregiver's 【registry identification card】 registration with the
26 commission, as applicable, and these written instructions to 【the
27 alternative treatment center】 any medical cannabis dispensary or
28 clinical registrant, which shall verify and log the documentation
29 presented. An institutional caregiver shall additionally present an
30 authorization executed by the patient certifying that the institutional
31 caregiver is authorized to obtain medical cannabis on behalf of the
32 patient. A 【physician】 health care practitioner may provide a copy
33 of a written instruction by electronic or other means, as determined
34 by the 【commissioner】 executive director, directly to 【an
35 alternative treatment center】 a medical cannabis dispensary or a
36 clinical registrant on behalf of a registered qualifying patient. The
37 dispensation of 【marijuana】 medical cannabis pursuant to any
38 written instructions shall occur within one month of the date that
39 the instructions were written or become eligible for dispensing,
40 whichever is later, or the instructions are void.

41 d. **【A patient may be registered at only one alternative**
42 **treatment center at any time.】** (deleted by amendment, P.L. , c.)
43 (pending before the Legislature as this bill)

44 e. Prior to dispensing medical cannabis to a qualifying patient,
45 the patient's designated caregiver, or an institutional caregiver, the

1 medical cannabis dispensary or clinical registrant shall access the
2 system established pursuant to section 11 of P.L.2009, c.307
3 (C.45:1-45.1) to ascertain whether medical cannabis was dispensed
4 for the patient by any medical cannabis dispensary or clinical
5 registrant within the preceding 30 days. Upon dispensing medical
6 cannabis to a qualifying patient, the patient's designated caregiver,
7 or an institutional caregiver, the medical cannabis dispensary or
8 clinical registrant shall transmit to the patient's health care
9 practitioner information concerning the amount, strain, and form of
10 medical cannabis that was dispensed.

11 f. (1) Except as provided in paragraph (2) of this subsection,
12 the maximum amount of usable cannabis that a patient may be
13 dispensed, in weight, in a 30-day period, shall be:

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

16 (b) on or after January 1, 2019 and continuing until July 1,
17 2019, two and one-half ounces in dried form or the equivalent
18 amount in any other form; and

19 (c) on or after July 1, 2019, three ounces in dried form or the
20 equivalent amount in any other form.

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

33 g. The executive director shall establish, by regulation,
34 curricula for health care practitioners and for staff at medical
35 cannabis dispensaries and clinical registrants:

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

43 (2) The curriculum for employees of medical cannabis
44 dispensaries and clinical registrants shall be designed to assist the
45 employees in counseling patients with regard to determining the
46 strain and form of medical cannabis that is appropriate to treat the
47 patient's qualifying medical condition. Employees of medical

1 cannabis dispensaries and clinical registrants shall be required to
2 complete the curriculum as a condition of registration with the
3 commission. Completion of the curriculum may constitute part of
4 the annual training required pursuant to paragraph (1) of subsection
5 j. of section 7 of P.L.2009, c.307 (C.24:6I-7).

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

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

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

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

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

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

31

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

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

39 b. All fees collected pursuant to **【this act】** P.L.2009, c.307
40 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
41 Legislature as this bill), including those from qualifying patients,
42 designated and institutional caregivers, and **【alternative treatment**
43 centers'】 initial, modification and renewal applications for
44 alternative treatment centers, including medical cannabis
45 cultivators, medical cannabis manufacturers, medical cannabis
46 dispensaries, and clinical registrants, shall be used to offset the cost
47 of the **【department's】** commission's administration of the

1 provisions of **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.) and
2 P.L. , c. (C.) (pending before the Legislature as this bill).
3 (cf: P.L.2009, c.307, s.13)
4

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

7 14. a. The commissioner, or after the effective date of
8 P.L. , c. (C.) (pending before the Legislature as this bill), the
9 executive director, shall report to the Governor, and to the
10 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1):

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

15 (2) annually thereafter on the number of applications for
16 **【registry identification cards】** registration with the commission, the
17 number of qualifying patients registered, the number of **【primary】**
18 designated and institutional caregivers registered, the nature of the
19 **【debilitating】** qualifying medical conditions of the patients, the
20 number of **【registry identification cards】** registrations revoked, the
21 number of **【alternative treatment center】** medical cannabis
22 cultivator, medical cannabis manufacturer, and medical cannabis
23 dispensary permits issued and revoked, the number and type of
24 integrated curricula approved, established, and maintained in
25 connection with an IC permit, the number of testing laboratories
26 licensed, the number of clinical registrant permits issued and the
27 nature of the clinical research conducted by each clinical registrant,
28 any incidents of diversion of medical cannabis, information
29 concerning racial, ethnic, and gender diversity in the individuals
30 issued and currently holding permits issued by the commission,
31 statistics concerning arrests for drug offenses throughout the State
32 and in areas where medical cannabis dispensaries are located,
33 including information concerning racial disparities in arrest rates
34 for drug offenses generally and cannabis offenses in particular, and
35 the number of **【physicians providing certifications for】** health care
36 practitioners authorizing patients for the medical use of cannabis,
37 including the types of license or certification held by those
38 practitioners.

39 b. The reports shall not contain any identifying information of
40 patients, caregivers, or **【physicians】** health care practitioners.

41 c. Within two years after the effective date of **【this act】**
42 P.L.2009, c.307 (C.24:6I-1 et al.) and every two years thereafter,
43 the commissioner or, after the effective date of
44 P.L. , c. (C.) (pending before the Legislature as this bill),
45 the executive director, shall: evaluate whether there are sufficient
46 numbers of **【alternative treatment centers】** medical cannabis

1 cultivators, medical cannabis manufacturers, medical cannabis
2 dispensaries, and clinical registrants to meet the needs of registered
3 qualifying patients throughout the State; evaluate whether the
4 maximum amount of medical **【marijuana】** cannabis allowed
5 pursuant to **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.) is sufficient
6 to meet the medical needs of qualifying patients; and determine
7 whether any **【alternative treatment center】** medical cannabis
8 cultivator, medical cannabis manufacturer, medical cannabis
9 dispensary, or clinical registrant has charged excessive prices **【for**
10 marijuana】 in connection with medical cannabis **【that the center**
11 dispensed】.

12 The commissioner or, after the effective date of
13 P.L. , c. (C.) (pending before the Legislature as this bill),
14 the executive director, shall report his findings no later than two
15 years after the effective date of **【this act】** P.L.2009, c.307 (C.24:6I-
16 1 et al.), and every two years thereafter, to the Governor, and to the
17 Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1).
18 (cf: P.L.2009, c.307, s.14)

19

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

22 15. a. The **【Department of Health】** Cannabis Regulatory
23 Commission is authorized to exchange fingerprint data with, and
24 receive information from, the Division of State Police in the
25 Department of Law and Public Safety and the Federal Bureau of
26 Investigation for use in reviewing applications for individuals
27 **【seeking】** who are required to complete a criminal history record
28 background check in connection with applications to serve as
29 **【primary】** designated caregivers or institutional caregivers pursuant
30 to section 4 of P.L.2009, c.307 (C.24:6I-4), for licenses to operate
31 as, or to be a director, officer, or employee of, medical cannabis
32 testing laboratories pursuant to section 25 of P.L. , c. (C.)
33 (pending before the Legislature as this bill), for permits to operate
34 as, or to be a director, officer, or employee of, or an investor in,
35 clinical registrants pursuant to section 13 of P.L. , c. (C.)
36 (pending before the Legislature as this bill), and for permits to
37 operate as, or to be a director, officer, or employee of, **【alternative**
38 treatment centers】 , or an investor in, medical cannabis cultivators,
39 medical cannabis manufacturers, and medical cannabis dispensaries
40 pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7).

41 b. The Division of State Police shall promptly notify the
42 **【Department of Health】** Cannabis Regulatory Commission in the
43 event an applicant seeking to serve as a **【primary】** designated or
44 institutional caregiver, an applicant for a license to operate as, or to
45 be a director, officer, or employee of, a medical cannabis testing
46 laboratory, an applicant for a license to operate as, or to be a

1 director, officer, or employee of, or an investor in, a clinical
2 registrant, or an applicant for a permit to operate as, or to be a
3 director, officer, or employee of, [an alternative treatment center]
4 or an investor in, a medical cannabis cultivator, medical cannabis
5 manufacturer, or medical cannabis dispensary, who was the subject
6 of a criminal history record background check conducted pursuant
7 to subsection a. of this section, is convicted of a crime involving
8 possession or sale of a controlled dangerous substance.

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

10

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

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

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

24

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

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

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

1 c. No later than 90 days after the effective date of
2 P.L. , c. (C.) (pending before the Legislature as this bill),
3 the executive director shall promulgate rules and regulations to
4 effectuate the purposes of P.L. , c. (C.) (pending before the
5 Legislature as this bill). Rules and regulations adopted pursuant to
6 this subsection shall, at a minimum:

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

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

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

19
20 24. (New section) a. Each batch of medical cannabis cultivated
21 by a medical cannabis cultivator or a clinical registrant and each
22 batch of a medical cannabis product produced by a medical
23 cannabis manufacturer or a clinical registrant shall be tested in
24 accordance with the requirements of section 26 of
25 P.L. , c. (C.) (pending before the Legislature as this bill) by
26 a laboratory licensed pursuant to section 25 of P.L. , c. (C.)
27 (pending before the Legislature as this bill). The laboratory
28 performing the testing shall produce a written report detailing the
29 results of the testing, a summary of which shall be included in any
30 packaging materials for medical cannabis and medical cannabis
31 products dispensed to qualifying patients and their designated and
32 institutional caregivers. The laboratory may charge a reasonable
33 fee for any test performed pursuant to this section.

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

41
42 25. (New section) a. A laboratory that performs testing services
43 pursuant to section 24 of P.L. , c. (C.) (pending before the
44 Legislature as this bill) shall be licensed by the commission and
45 may be subject to inspection by the commission to determine the
46 condition and calibration of any equipment used for testing
47 purposes and to ensure that testing is being performed in

1 accordance with the requirements of section 26 of
2 P.L. , c. (C.) (pending before the Legislature as this bill).

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

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

17 d. (1) The executive director shall require each applicant for
18 licensure as a medical cannabis testing laboratory to undergo a
19 criminal history record background check, except that no criminal
20 history record background check shall be required for an applicant
21 who completed a criminal history record background check as a
22 condition of professional licensure or certification.

23 For purposes of this section, the term "applicant" shall include
24 any owner, director, officer, or employee of a medical cannabis
25 testing laboratory. The executive director 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 executive director 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
34 record background check pursuant to this section shall submit to
35 being fingerprinted in accordance with applicable State and federal
36 laws, 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 the applicant's written consent to
39 that check. An applicant who is required to undergo a criminal
40 history record background check pursuant to this section who
41 refuses to consent to, or cooperate in, the securing of a check of
42 criminal history record background information shall not be
43 considered for a license to operate, or authorization to be employed
44 at, a medical cannabis testing laboratory. An applicant shall bear
45 the cost for the criminal history record background check, including
46 all costs of administering and processing the check.

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

6 (3) Upon receipt of the criminal history record background
7 information from the Division of State Police and the Federal
8 Bureau of Investigation, the executive director shall provide written
9 notification to the applicant of the applicant's qualification for or
10 disqualification for a permit to operate or be a director, officer, or
11 employee of a medical cannabis testing laboratory.

12 If the applicant is disqualified because of a disqualifying
13 conviction pursuant to the provisions of this section, the conviction
14 that constitutes the basis for the disqualification shall be identified
15 in the written notice.

16 (4) The Division of State Police shall promptly notify the
17 executive director in the event that an individual who was the
18 subject of a criminal history record background check conducted
19 pursuant to this section is convicted of a crime or offense in this
20 State after the date the background check was performed. Upon
21 receipt of that notification, the executive director shall make a
22 determination regarding the continued eligibility to operate or be a
23 director, officer, or employee of a medical cannabis testing
24 laboratory.

25 (5) Notwithstanding the provisions of subsection c. of this
26 section to the contrary, the executive director may offer provisional
27 authority for an applicant to be an owner, director, officer, or
28 employee of a medical cannabis testing laboratory for a period not
29 to exceed three months if the applicant submits to the executive
30 director a sworn statement attesting that the person has not been
31 convicted of any disqualifying conviction pursuant to this section.

32 (6) Notwithstanding the provisions of subsection c. of this
33 section to the contrary, no applicant to be an owner, director,
34 officer, or employee of a medical cannabis testing laboratory shall
35 be disqualified on the basis of any conviction disclosed by a
36 criminal history record background check conducted pursuant to
37 this section if the individual has affirmatively demonstrated to the
38 executive director clear and convincing evidence of rehabilitation.
39 In determining whether clear and convincing evidence of
40 rehabilitation has been demonstrated, the following factors shall be
41 considered:

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

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

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

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

1 (e) the age of the individual when the crime or offense was
2 committed;

3 (f) whether the crime or offense was an isolated or repeated
4 incident;

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

7 (h) any evidence of rehabilitation, including good conduct in
8 prison or in the community, counseling or psychiatric treatment
9 received, acquisition of additional academic or vocational
10 schooling, successful participation in correctional work-release
11 programs, or the recommendation of those who have had the
12 individual under their supervision.

13

14 26. (New section) a. The commission shall establish, by
15 regulation, standardized requirements and procedures for testing
16 medical cannabis and medical cannabis products.

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

- 21 (1) microbial contamination;
- 22 (2) foreign material;
- 23 (3) residual pesticides;
- 24 (4) other agricultural residue and residual solvents; and
- 25 (5) heavy metals.

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

30 d. As a condition of licensure, each laboratory shall certify its
31 intention to seek third party accreditation in accordance with ISO
32 17025 standards in order to ensure equipment is routinely inspected,
33 calibrated, and maintained until such time as the commission issues
34 its own standards or confirms the use of ISO 17025.

35 e. Until such time as the commission establishes the standards
36 required by this section, a licensed laboratory shall utilize the
37 testing standards established by another state with a medical
38 cannabis program, which state shall be designated by the executive
39 director.

40

41 27. (New section) The executive director may waive any
42 requirement of P.L.2009, c.307 (C.24:6I-1 et al.) or
43 P.L. , c. (C.) (pending before the Legislature as this bill) if
44 the executive director determines that granting the waiver is
45 necessary to achieve the purposes of P.L.2009, c.307 (C.24:6I-
46 1 et al.) and P.L. , c. (C.) (pending before the Legislature
47 as this bill) and provide access to patients who would not otherwise

1 qualify for the medical use of cannabis to alleviate suffering from a
2 diagnosed medical condition, and does not create a danger to the
3 public health, safety, or welfare.
4

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

23 29. (New section) If any provision of P.L.2009, c.307 (C.24:6I-
24 1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or
25 P.L. , c. (C.) (pending before the Legislature as this bill) or
26 its application to any person or circumstance is held invalid, the
27 invalidity does not affect other provisions or applications of
28 P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22
29 et al.), and P.L. , c. (C.) (pending before the Legislature as
30 this bill) which can be given effect without the invalid provision or
31 application, and to this end the provisions of P.L.2009, c.307
32 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), and
33 P.L. , c. (C.) (pending before the Legislature as this bill)
34 are severable.
35

36 30. N.J.S.2C:35-18 is amended to read as follows:

37 2C:35-18. Exemption; Burden of Proof. a. If conduct is
38 authorized by the provisions of P.L.1970, c.226 (C.24:21-1 et seq.),
39 P.L.2009, c.307 (C.24:6I-1 et al.), **【or】** P.L.2015, c.158 (C.18A:40-
40 12.22 et al.), or P.L. , c. (C.) (pending before the
41 Legislature as this bill), that authorization shall, subject to the
42 provisions of this section, constitute an exemption from criminal
43 liability under this chapter or chapter 36, and the absence of such
44 authorization shall not be construed to be an element of any offense
45 in this chapter or chapter 36. It is an affirmative defense to any
46 criminal action arising under this chapter or chapter 36 that the
47 defendant is the authorized holder of an appropriate registration,

1 permit, or order form or is otherwise exempted or excepted from
2 criminal liability by virtue of any provision of P.L.1970, c.226
3 (C.24:21-1 et seq.), P.L.2009, c.307 (C.24:6I-1 et al.), **【or】**
4 P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.)
5 (pending before the Legislature as this bill). The affirmative
6 defense established herein shall be proved by the defendant by a
7 preponderance of the evidence. It shall not be necessary for the
8 State to negate any exemption set forth in this act or in any
9 provision of Title 24 of the Revised Statutes in any complaint,
10 information, indictment, or other pleading or in any trial, hearing,
11 or other proceeding under this act.

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

17
18 31. Section 1 of P.L.2015, c.158 (C.18A:40-12.22) is amended
19 to read as follows:

20 1. a. A board of education or chief school administrator of a
21 nonpublic school shall develop a policy authorizing parents,
22 guardians, and **【primary】** designated caregivers to administer
23 medical **【marijuana】** cannabis to a student while the student is on
24 school grounds, aboard a school bus, or attending a school-
25 sponsored event.

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

28 (1) require that the student be authorized to engage in the
29 medical use of **【marijuana】** cannabis pursuant to P.L.2009, c.307
30 (C.24:6I-1 et al.) and that the parent, guardian, or **【primary】**
31 designated caregiver be authorized to assist the student with the
32 medical use of **【marijuana】** cannabis pursuant to P.L.2009, c.307
33 (C.24:6I-1 et al.);

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

38 (3) expressly authorize parents, guardians, and **【primary】**
39 designated caregivers of students who have been authorized for the
40 medical use of **【marijuana】** cannabis to administer medical
41 **【marijuana】** cannabis to the student while the student is on school
42 grounds, aboard a school bus, or attending a school-sponsored
43 event;

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

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

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

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

11
12 32. Section 2 of P.L.2015, c.158 (C.30:6D-5b) is amended to
13 read as follows:

14 2. a. The chief administrator of a facility that offers services
15 for persons with developmental disabilities shall develop a policy
16 authorizing a parent, guardian, or **【primary】** designated caregiver
17 authorized to assist a qualifying patient with the use of medical
18 **【marijuana】** cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.)
19 to administer medical **【marijuana】** cannabis to a person who is
20 receiving services for persons with developmental disabilities at the
21 facility.

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

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

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

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

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

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

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

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

5
6 33. (New section) a. The chief administrator of a facility that
7 offers behavioral health care services shall develop a policy
8 authorizing a parent, guardian, or designated caregiver authorized to
9 assist a qualifying patient with the use of medical cannabis pursuant
10 to P.L.2009, c.307 (C.24:6I-1 et al.) to administer medical cannabis
11 to a person who is receiving behavioral health care services at the
12 facility.

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

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

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

25 (3) expressly authorize parents, guardians, and designated
26 caregivers to administer medical cannabis to the person receiving
27 behavioral health care services while the person is at the facility;
28 and

29 (4) identify locations at the facility where medical cannabis may
30 be administered.

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

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

39 e. As used in this section, "behavioral health care services"
40 means procedures or services provided by a health care practitioner
41 to a patient for the treatment of a mental illness or emotional
42 disorder that is of mild to moderate severity. "Behavioral health
43 care" and "behavioral health care services" shall not include
44 procedures or services that are provided for the treatment of severe
45 mental illness, severe emotional disorder, or any drug or alcohol use
46 disorder.

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

3 11. a. A **【physician】** health care practitioner who 【provides a
4 certification】 authorizes a patient for the medical use of cannabis or
5 who provides a written instruction for the medical use of
6 **【marijuana】** cannabis to a qualifying patient pursuant to P.L.2009,
7 c.307 (C.24:6I-1 et al.) and **【any alternative treatment center】** each
8 medical cannabis dispensary and clinical registrant shall furnish to
9 the Director of the Division of Consumer Affairs in the Department
10 of Law and Public Safety such information, on a daily basis and in
11 such a format **【and at such intervals,】** as the director shall prescribe
12 by regulation, for inclusion in a system established to monitor the
13 dispensation of **【marijuana】** cannabis in this State for medical use
14 as authorized by the provisions of P.L.2009, c.307 (C.24:6I-1 et
15 al.), which system shall serve the same purpose as, and be cross-
16 referenced with, the electronic system for monitoring controlled
17 dangerous substances established pursuant to section 25 of
18 P.L.2007, c.244 (C.45:1-45).

19 b. The Director of the Division of Consumer Affairs, pursuant
20 to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
21 1 et seq.), and in consultation with the **【Commissioner of Health**
22 **and Senior Services】** Executive Director of the Cannabis
23 Regulatory Commission, shall adopt rules and regulations to
24 effectuate the purposes of subsection a. of this section.

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

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

38

39 35. Section 7 of P.L.1991, c.378 (C.45:9-27.16) is amended to
40 read as follows:

41 7. a. A physician assistant may perform the following
42 procedures:

43 (1) Approaching a patient to elicit a detailed and accurate
44 history, perform an appropriate physical examination, identify
45 problems, record information, and interpret and present information
46 to the supervising physician;

- 1 (2) Suturing and caring for wounds including removing sutures
2 and clips and changing dressings, except for facial wounds,
3 traumatic wounds requiring suturing in layers, and infected wounds;
- 4 (3) Providing patient counseling services and patient education
5 consistent with directions of the supervising physician;
- 6 (4) Assisting a physician in an inpatient setting by conducting
7 patient rounds, recording patient progress notes, determining and
8 implementing therapeutic plans jointly with the supervising
9 physician, and compiling and recording pertinent narrative case
10 summaries;
- 11 (5) Assisting a physician in the delivery of services to patients
12 requiring continuing care in a private home, nursing home,
13 extended care facility, or other setting, including the review and
14 monitoring of treatment and therapy plans; and
- 15 (6) Referring patients to, and promoting their awareness of,
16 health care facilities and other appropriate agencies and resources in
17 the community.
- 18 (7) (Deleted by amendment, P.L.2015, c.224)
- 19 b. A physician assistant may perform the following procedures
20 only when directed, ordered, or prescribed by the supervising
21 physician, or when performance of the procedure is delegated to the
22 physician assistant by the supervising physician as authorized under
23 subsection d. of this section:
- 24 (1) Performing non-invasive laboratory procedures and related
25 studies or assisting duly licensed personnel in the performance of
26 invasive laboratory procedures and related studies;
- 27 (2) Giving injections, administering medications, and requesting
28 diagnostic studies;
- 29 (3) Suturing and caring for facial wounds, traumatic wounds
30 requiring suturing in layers, and infected wounds;
- 31 (4) Writing prescriptions or ordering medications in an inpatient
32 or outpatient setting in accordance with section 10 of P.L.1991,
33 c.378 (C.45:9-27.19); **[and]**
- 34 (5) Prescribing the use of patient restraints; and
- 35 (6) Authorizing qualifying patients for the medical use of
36 cannabis and issuing written instructions for medical cannabis to
37 registered qualifying patients pursuant to P.L.2009, c.307 (C.24:6I-
38 1 et al.).
- 39 c. A physician assistant may assist a supervising surgeon in the
40 operating room when a qualified assistant physician is not required
41 by the board and a second assistant is deemed necessary by the
42 supervising surgeon.
- 43 d. A physician assistant may perform medical services beyond
44 those explicitly authorized in this section, when such services are
45 delegated by a supervising physician with whom the physician
46 assistant has signed a delegation agreement pursuant to section 8 of
47 P.L.1991, c.378 (C.45:9-27.17). The procedures delegated to a

1 physician assistant shall be limited to those customary to the
2 supervising physician's specialty and within the supervising
3 physician's and the physician assistant's competence and training.

4 e. Notwithstanding subsection d. of this section, a physician
5 assistant shall not be authorized to measure the powers or range of
6 human vision, determine the accommodation and refractive states of
7 the human eye, or fit, prescribe, or adapt lenses, prisms, or frames
8 for the aid thereof. Nothing in this subsection shall be construed to
9 prohibit a physician assistant from performing a routine visual
10 screening.

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

12
13 36. Section 10 of P.L.1991, c.378 (C.45:9-27.19) is amended to
14 read as follows:

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

19 a. Controlled dangerous substances may only be ordered or
20 prescribed if:

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

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

26 (b) otherwise adjust the dosage of an order or prescription for a
27 controlled dangerous substance originally ordered or prescribed by
28 the supervising physician, provided there is prior consultation with
29 the supervising physician;

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

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

39 (2) the physician assistant has registered with, and obtained
40 authorization to order or prescribe controlled dangerous substances
41 from, the federal Drug Enforcement Administration and any other
42 appropriate State and federal agencies; and

43 (3) the physician assistant complies with all requirements which
44 the board shall establish by regulation for the ordering, prescription,
45 or administration of controlled dangerous substances, all applicable
46 educational program requirements, and continuing professional

1 education programs approved pursuant to section 16 of P.L.1991,
2 c.378 (C.45:9-27.25).

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

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

5 d. In the case of an order or prescription for a controlled
6 dangerous substance or written instructions for medical cannabis,
7 the physician assistant shall print on the order or prescription or the
8 written instructions the physician assistant's Drug Enforcement
9 Administration registration number.

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

16 f. A physician assistant may request, receive, and sign for
17 prescription drug samples and may distribute those samples to
18 patients.

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

22 (1) a supervising physician has authorized the physician
23 assistant to issue written instructions to registered qualifying
24 patients;

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

27 (3) the physician assistant complies with the requirements for
28 issuing written instructions for medical cannabis established
29 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and
30 P.L. , c. (C.) (pending before the Legislature as this bill).

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

32

33 37. Section 10 of P.L.1991, c.377 (C.45:11-49) is amended to
34 read as follows:

35 10. a. In addition to all other tasks which a registered
36 professional nurse may, by law, perform, an advanced practice
37 nurse may manage preventive care services and diagnose and
38 manage deviations from wellness and long-term illnesses, consistent
39 with the needs of the patient and within the scope of practice of the
40 advanced practice nurse, by:

41 (1) initiating laboratory and other diagnostic tests;

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

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

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

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

5 (4) the prescription is dated and includes the name of the patient
6 and the name, address, and telephone number of the collaborating
7 physician;

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

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

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

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

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

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

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

39 g. An advanced practice nurse may authorize qualifying
40 patients for the medical use of cannabis and issue written
41 instructions for medical cannabis to registered qualifying patients,
42 subject to the following conditions:

43 (1) the collaborating physician and advanced practice nurse
44 shall address in the joint protocols whether prior consultation with
45 the collaborating physician is required to authorize a qualifying
46 patient for the medical use of cannabis or issue written instructions
47 for medical cannabis;

- 1 (2) the authorization for the medical use of cannabis or issuance
2 of written instructions for cannabis is in accordance with standing
3 orders or joint protocols developed in agreement between a
4 collaborating physician and the advanced practice nurse, or
5 pursuant to the specific direction of a physician;
- 6 (3) the advanced practice nurse signs the nurse's own name to
7 the authorization or written instruction and prints the nurse's name
8 and certification number;
- 9 (4) the authorization or written instruction is dated and includes
10 the name of the qualifying patient and the name, address, and
11 telephone number of the collaborating physician;
- 12 (5) the physician is present or readily available through
13 electronic communications;
- 14 (6) the charts and records of qualifying patients treated by the
15 advanced practice nurse are periodically reviewed by the
16 collaborating physician and the advanced practice nurse;
- 17 (7) the joint protocols developed by the collaborating physician
18 and the advanced practice nurse are reviewed, updated, and signed
19 at least annually by both parties; and
- 20 (8) the advanced practice nurse complies with the requirements
21 for authorizing qualifying patients for the medical use of cannabis
22 and for issuing written instructions for medical cannabis established
23 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and
24 P.L. , c. (C.) (pending before the Legislature as this bill).
25 (cf: P.L.2017, c.28, s.15)
- 26
- 27 38. Section 5 of P.L.2009, c.307 (C.24:6I-5) is repealed.
- 28
- 29 39. This act shall take effect immediately.