

[First Reprint]

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 10 and 2426

STATE OF NEW JERSEY
218th LEGISLATURE

ADOPTED NOVEMBER 26, 2018

Sponsored by:

Senator JOSEPH F. VITALE

District 19 (Middlesex)

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

Senator DECLAN J. O'SCANLON, JR.

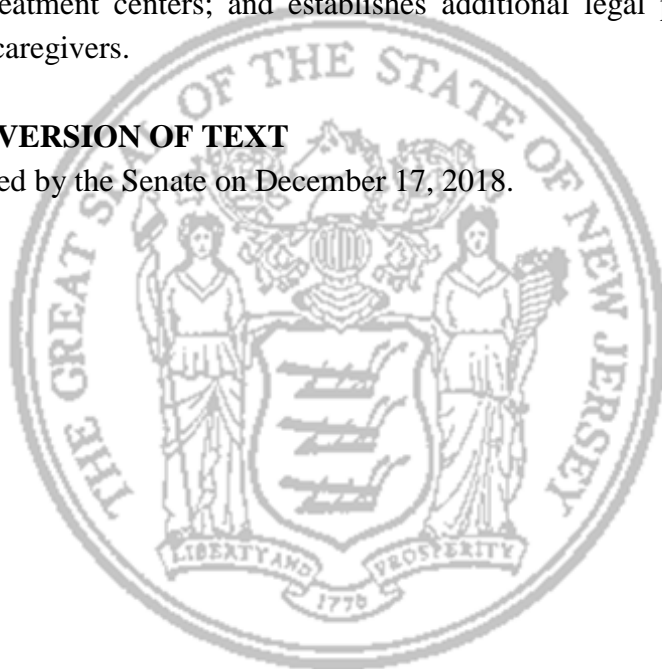
District 13 (Monmouth)

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

As amended by the Senate on December 17, 2018.



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

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

15 2. The Legislature finds and declares that:

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

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

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

38 d. States are not required to enforce federal law or prosecute
39 people for engaging in activities prohibited by federal law;
40 therefore, compliance with this act does not put the State of New
41 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.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate floor amendments adopted December 17, 2018.

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, family medicine, internal
24 medicine, and medical specialties; is the principal teaching affiliate
25 of a medical school based in the State; and has the ability to
26 conduct research related to medical cannabis. If the entity is part of
27 a system of health care facilities, the entity shall not qualify as an
28 academic medical center unless the health care system is principally
29 located within the State.

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

35 ¹**【“Bona fide 【physician-patient】 practitioner-patient**
36 **relationship” means a relationship in which the 【physician】 health**
37 **care practitioner has ongoing responsibility for the assessment, care,**
38 **and treatment of a patient's 【debilitating】 qualifying medical**
39 **condition.】¹**

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

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

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

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

12 "Commissioner" means the Commissioner of Health.

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

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

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

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

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

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

30 “Common ownership or control” means:

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

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

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

40 "Department" means the Department of Health.

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

42 (1) is at least 18 years old;

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

47 (3) subject to the provisions of paragraph (2) of subsection c. of
48 section 4 of P.L.2009, c.307 (C.24:6I-4), has never been convicted

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

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

12 (5) has been designated as designated caregiver ¹ [on the
13 qualifying patient's application or renewal for a registry
14 identification card] by the patient when registering or renewing a
15 registration with the commission¹ or in other written notification to
16 the commission.

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

21 “Health care facility” means a general acute care hospital,
22 nursing home, long term care facility, hospice care facility, ¹group
23 home, facility that provides services to persons with developmental
24 disabilities, behavioral health care facility,¹ or rehabilitation center.

25 “Health care practitioner” means a physician, advanced practice
26 nurse, or physician assistant licensed or certified pursuant to Title
27 45 of the Revised Statutes who:

28 (1) possesses active registrations to prescribe controlled
29 dangerous substances issued by the United States Drug
30 Enforcement Administration and the Division of Consumer Affairs
31 in the Department of Law and Public Safety; ¹and¹

32 (2) ¹ [has a bona fide practitioner-patient relationship with the
33 patient; and

34 (3)]¹ is the health care practitioner responsible for the ongoing
35 treatment of a patient's qualifying medical condition, provided,
36 however, that the ongoing treatment shall not be limited to the
37 provision of authorization for a patient to use medical cannabis or
38 consultation solely for that purpose.

39 “Immediate family” means the spouse, civil union partner, child,
40 sibling, or parent of an individual, and shall include the siblings and
41 parents of the individual’s spouse or civil union partner, and the
42 spouses or civil union partners of the individual’s siblings and
43 children.

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

45 (1) is at least 18 years old;

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

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

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

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

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

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

34 "Integrated curriculum permit" or "IC permit" means a permit
35 issued to a medical cannabis cultivator, medical cannabis
36 manufacturer, or medical cannabis dispensary that includes an
37 integrated curriculum approved by the commission and the
38 Department of Education.

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

42 **"Medical [marijuana] cannabis alternative treatment center" or**
43 **"alternative treatment center" means an organization [approved]**
44 **issued a permit by the [department] commission to [perform**
45 **activities necessary to provide registered qualifying patients with**
46 **usable marijuana and related paraphernalia in accordance with the**
47 **provisions of this act] operate as a medical cannabis cultivator,**

1 medical cannabis manufacturer, medical cannabis dispensary, or
2 clinical registrant. This term shall include the organization's
3 officers, directors, board members, and employees.

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

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

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

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

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

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

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

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

23 "Primary caregiver" or "caregiver" means a resident of the State
24 who:

25 a. is at least 18 years old;

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

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

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

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

41 "Qualifying medical condition" means seizure disorder,
42 including epilepsy; intractable skeletal muscular spasticity; post-
43 traumatic stress disorder; glaucoma; positive status for human
44 immunodeficiency virus; acquired immune deficiency syndrome;
45 cancer; amyotrophic lateral sclerosis; multiple sclerosis; muscular
46 dystrophy; inflammatory bowel disease, including Crohn's disease;
47 terminal illness, if the patient has a prognosis of less than 12

1 months of life; anxiety; migraine; Tourette's syndrome;
2 dysmenorrhea; chronic pain; or any other medical condition or its
3 treatment that is approved by the commission.

4 "Qualifying patient" or "patient" means a resident of the State
5 who has been **provided with a certification** authorized for the
6 medical use of cannabis by a **physician** health care practitioner
7 **1**pursuant to a bona fide physician-patient practitioner-patient
8 relationship**1**.

9 **1**"Registry identification card" "Registration with the
10 commission"**1** means **1**a document issued by the department
11 commission that identifies**1** a person **1**has met the qualification
12 requirements for, and has been registered by the commission**1** as **1**;
13 a registered qualifying patient or primary, designated caregiver,
14 or institutional caregiver. The commission shall establish
15 appropriate means for health care practitioners, health care
16 facilities, medical cannabis dispensaries, law enforcement, schools,
17 facilities providing behavioral health services or services for
18 persons with developmental disabilities, and other appropriate
19 entities to verify an individual's status as a registrant with the
20 commission.**1**

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 **1**,
33 and shall issue a registry identification card, which shall be valid
34 for two years, to a qualifying patient and **primary** each designated
35 caregiver for the patient, if applicable, who submits and shall
36 establish a means of identifying and verifying the registration status
37 of patients and designated caregivers who are registered with the
38 commission. Registration with the commission shall be valid for
39 two years. A patient or designated caregiver shall be registered with
40 the commission upon submitting**1** the following, in accordance with
41 regulations adopted by the **department** commission:

42 (1) **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 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, which 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 ¹【issue a registry identification card, which
17 shall be valid for one year, to an institutional caregiver who
18 submits】 establish a means of identifying and verifying the
19 registration status of institutional caregivers who are registered with
20 the commission. Registration with the commission shall be valid
21 for one year. An institutional caregiver shall be registered with the
22 commission upon submitting¹ the name, address, and telephone
23 number of the institutional caregiver and of the health care facility
24 at which the individual will be serving as institutional caregiver and
25 a certification that meets the requirements of subsection h. of this
26 section. The application or renewal fee for the institutional
27 caregiver shall be paid by the health care facility at which the
28 institutional caregiver will be serving as institutional caregiver. An
29 institutional caregiver shall not be limited in the number of
30 qualifying patients for whom the institutional caregiver may serve
31 as institutional caregiver at one time, provided that each qualifying
32 patient served by the institutional caregiver is a current patient or
33 resident at the health care facility at which the institutional
34 caregiver is authorized to serve as institutional caregiver, and the
35 number of qualifying patients served by the institutional caregiver
36 is commensurate with the institutional caregiver's ability to fully
37 meet the treatment and related needs of each qualifying patient and
38 attend to the institutional caregiver's other professional duties at the
39 health care facility without jeopardizing the health or safety of any
40 patient or resident at the facility.

41 b. Before ¹【issuing a registry identification card】 registering
42 an individual¹, the **【department】** commission shall verify the
43 information contained in the application or renewal form submitted
44 pursuant to this section. In the case of a **【primary】** designated or
45 institutional caregiver, the **【department】** commission shall
46 provisionally approve an application pending the results of a
47 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 renewal¹. 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 ¹**[or issuance of an**
46 **identification card]**¹. 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. ¹【A registry identification card】 A verification of
17 registration issued by the commission¹ shall contain the following
18 information:
- 19 (1) (a) in the case of ¹【a registry identification card for】¹ a
20 patient or designated caregiver ¹registration¹, the name, address,
21 and date of birth of the patient and 【primary】 each designated
22 caregiver, if applicable; and
- 23 (b) in the case of an institutional caregiver, the caregiver's name
24 and date of birth and the name and address of the health care
25 facility at which the caregiver is serving as institutional caregiver;
- 26 (2) the expiration date of the ¹【registry identification card】
27 registration¹;
- 28 (3) photo identification of the ¹【cardholder】 registrant¹; and
- 29 (4) such other information that the 【department】 commission
30 may specify by regulation.
- 31 e. (1) A patient who has been ¹【issued a registry
32 identification card】 registered by the commission¹ shall notify the
33 【department】 commission of any change in the patient's name,
34 address, or 【physician】 health care practitioner or change in status
35 of the patient's 【debilitating】 qualifying medical condition, within
36 10 days of such change, or the 【registry identification card】
37 patient's registration shall be deemed null and void.
- 38 (2) A 【primary】 designated caregiver who has been ¹【issued a
39 registry identification card】 registered by the commission¹ shall
40 notify the 【department】 commission of any change in the
41 caregiver's name or address within 10 days of such change, or the
42 ¹【registry identification card】 caregiver's registration¹ shall be
43 deemed null and void.
- 44 (3) An institutional caregiver who has been ¹【issued a registry
45 identification card】 registered by the commission¹ shall notify the
46 commission of any change in the caregiver's name, address,

1 employment by a health care facility at which the caregiver is
2 registered to serve as institutional caregiver, or authorization from
3 the health care facility to assist qualifying patients with the medical
4 use of cannabis, within 10 days of such change, or the ¹【registry
5 identification card】 caregiver’s registration¹ shall be deemed null
6 and void and the individual shall be deemed ineligible to serve as an
7 institutional caregiver for a period of not less than one year.

8 f. The 【department】 commission shall maintain a confidential
9 list of the persons ¹【to whom it has issued registry identification
10 cards】 registered with the commission¹. Individual names and
11 other identifying information on the list, and information contained
12 in any application form, or accompanying or supporting document
13 shall be confidential, and shall not be considered a public record
14 under P.L.1963, c.73 (C.47:1A-1 et seq.) 【or】 ² P.L.2001, c.404
15 (C.47:1A-5 et al.), or the common law concerning access to
16 government records, and shall not be disclosed except to:

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

21 (2) authorized employees of State or local law enforcement
22 agencies, only as necessary to verify that a person who is engaged
23 in the suspected or alleged medical use of 【marijuana】 cannabis is
24 lawfully ¹【in possession of a registry identification card】 registered
25 with the commission¹.

26 g. Applying for ¹【or receiving a registry card】 registration or
27 being registered by the commission¹ does not constitute a waiver of
28 the qualifying patient's 【patient-physician】 practitioner-patient
29 privilege.

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

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

39 (2) the facility has established protocols and procedures and
40 implemented security measures to ensure that any medical cannabis
41 present at the facility is stored in a safe and secure manner that
42 prevents theft, diversion, adulteration, and access by unauthorized
43 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
47 cannabis will not result in adverse drug interactions, side effects, or

1 other complications that could significantly jeopardize the health or
2 safety of the patient;

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

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

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

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

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

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

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

33

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

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

1 treating health care practitioner is a pediatric specialist, no
2 additional written confirmation from any other health care
3 practitioner shall be required as a condition of authorizing the
4 patient for the medical use of cannabis.

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

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

21

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

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

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

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

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

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

15 7. (New section) a. An individual who is registered as a
16 qualifying patient in another state or jurisdiction within the United
17 States that authorizes the medical use of cannabis shall be
18 considered a registered qualifying patient for the purposes of
19 P.L.2009, c.307 (C.24:6I-1 et al.) for a period of up to six months,
20 provided that the individual possesses both ¹ **【a valid patient registry
21 card】** proof of registration in,¹ and a valid photo identification card
22 issued by ¹,¹ the other state or jurisdiction. During the six month
23 period, the individual shall be authorized to possess and use
24 medical cannabis and engage in such other conduct related to
25 medical cannabis in New Jersey as is consistent with the
26 requirements of P.L.2009, c.307 (C.24:6I-1 et al.) and the laws of
27 the state or jurisdiction ¹ **【that issued the patient’s registry card】** in
28 which the patient is registered¹, except that medical cannabis shall
29 not be dispensed to the individual unless a health care practitioner
30 licensed in New Jersey issues written instructions for the individual
31 that meet the requirements of section 10 of P.L.2009, c.307
32 (C.24:6I-10). No individual shall be authorized to acquire, possess,
33 use, or engage in other conduct in connection with medical cannabis
34 in New Jersey pursuant to a medical cannabis registration from
35 another State or jurisdiction for more than six months unless the
36 individual registers with the commission as a qualifying patient
37 pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4).

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

1 with medical cannabis in New Jersey as is consistent with the
2 requirements of P.L.2009, c.307 (C.24:6I-1 et al.) and the laws of
3 the state or jurisdiction ¹**【that issued the caregiver’s registry card】**
4 in which the caregiver is registered¹, except that medical cannabis
5 shall 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.),
46 or P.L. , c. (C.) (pending before the Legislature as this
47 bill).

- 1 c. 1[Possession of] Registration with the commission¹, or
2 application for 1registration by the commission¹, 1[a registry
3 identification card]1 shall not alone constitute probable cause to
4 search the person or the property of the 1[person possessing or
5 applying for the registry identification card] registrant or
6 applicant¹, or otherwise subject the person or [his] the person's
7 property to inspection by any governmental agency.
- 8 d. The provisions of section 2 of P.L.1939, c.248 (C.26:2-82),
9 relating to destruction of [marijuana] cannabis determined to exist
10 by the [department] commission, shall not apply if a qualifying
11 patient [or primary], designated caregiver, or institutional caregiver
12 1[has in his possession a registry identification card] is registered
13 with the commission¹ and 1is in possession of¹ no more than the
14 maximum amount of usable [marijuana] cannabis that may be
15 obtained in accordance with section 10 of P.L.2009, c.307 (C.24:6I-
16 10).
- 17 e. No person shall be subject to arrest or prosecution for
18 constructive possession, conspiracy, or any other offense for simply
19 being in the presence or vicinity of the medical use of [marijuana]
20 cannabis as authorized under P.L.2009, c.307 (C.24:6I-1 et al.)
21 [or] , P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. _____,
22 c. (C. _____) (pending before the Legislature as this bill).
- 23 f. No custodial parent, guardian, or person who has legal
24 custody of a qualifying patient who is a minor shall be subject to
25 arrest or prosecution for constructive possession, conspiracy, or any
26 other offense for assisting the minor in the medical use of
27 [marijuana] cannabis as authorized under P.L.2009, c.307 (C.24:6I-
28 1 et al.) [or] , P.L.2015, c.158 (C.18A:40-12.22 et al.), or
29 P.L. _____, c. (C. _____) (pending before the Legislature as this bill).
- 30 g. For the purposes of medical care, including organ
31 transplants, a qualifying patient's authorized use of medical
32 cannabis in accordance with the provisions of P.L.2009, c.307
33 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), and
34 P.L. _____, c. (C. _____) (pending before the Legislature as this bill),
35 shall be considered equivalent to the authorized use of any other
36 medication used at the direction of a health care practitioner, and
37 shall not constitute the use of an illicit substance or otherwise
38 disqualify a qualifying patient from needed medical care.
- 39 h. No public or private school or institution of higher education
40 may refuse to enroll a person based solely on the person's status as
41 a 1[registry identification cardholder] registrant with the
42 commission¹, unless failing to do so would result in the school or
43 institution losing a monetary or licensing-related benefit granted
44 pursuant to federal law. No public or private school or institution
45 of higher education shall be penalized or denied any benefit under

1 State law solely on the basis of enrolling a person who is 'a
2 registry identification cardholder] 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 '[registry identification cardholder]
9 registrant with the commission', unless failing to do so would
10 result in the person losing a monetary or licensing-related benefit
11 granted pursuant to federal law. No such person shall be penalized
12 or denied any benefit under State law solely on the basis of renting
13 or leasing real property to a person who is 'a registry identification
14 cardholder] registered with the commission'.

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

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

38 (2) No health care facility shall be penalized or denied any
39 benefit under State law solely on the basis of employing or
40 maintaining a professional affiliation with a health care practitioner
41 who engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
42 1 et al.) and P.L. , c. (C.) (pending before the Legislature
43 as this bill).

44 l. Unless failing to do so would result in the insurer or
45 insurance association losing a monetary or licensing-related benefit
46 granted pursuant to federal law, an insurer or insurance association
47 authorized to issue medical malpractice liability insurance in New

1 Jersey shall not deny coverage to a health care practitioner, increase
2 the amount of premiums or deductibles under the policy, or charge
3 any additional fees in connection with the policy, solely based on
4 the health care practitioner engaging in conduct authorized under
5 P.L.2009, c.307 (C.24:6I-1 et al.) or P.L. , c. (C.) (pending
6 before the Legislature as this bill), including, but not limited to,
7 authorizing qualifying patients for the medical use of cannabis,
8 issuing written instructions pursuant to section 10 of P.L.2009,
9 c.307 (C.24:6I-10), and consulting with patients regarding the use
10 of medical cannabis to treat a qualifying medical condition. No
11 insurer or insurance association shall be penalized or denied any
12 benefit under State law solely on the basis of providing medical
13 malpractice liability insurance to a health care practitioner who
14 engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
15 1 et al.) or P.L. , c. (C.) (pending before the Legislature as
16 this bill).

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

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

30 (2) No health care facility shall be penalized or denied any
31 benefit under State law solely for prohibiting the smoking of
32 medical cannabis on facility property in accordance with the
33 facility's smoke free policy.¹

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

35
36 9. (New section) a. It shall be unlawful to take any adverse
37 employment action against an employee who is a registered
38 qualifying patient based solely on the employee's status as a
39 ¹registry identification cardholder registrant with the
40 commission¹.

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

47 (2) Within three working days after receiving notice pursuant to
48 paragraph (1) of this subsection, the employee or job applicant may

1 submit information to the employer to explain the positive test
2 result, or may request a confirmatory retest of the original sample at
3 the employee's or job applicant's own expense. As part of an
4 employee's or job applicant's explanation for the positive test
5 result, the employee or job applicant may present an authorization
6 for medical cannabis issued by a health care practitioner, ¹【a
7 registry identification card】 proof of registration with the
8 commission¹, or both.

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

10 (1) restrict an employer's ability to prohibit, or take adverse
11 employment action for, the possession or use of intoxicating
12 substances during work hours; or

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

17 d. No employer shall be penalized or denied any benefit under
18 State law solely on the basis of employing a person who is ¹【a
19 registry identification cardholder】 registered with the commission¹.

20

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

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

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

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

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

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

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

1 concurrently hold a Class 3 Cannabis Wholesaler license. An¹
2 alternative treatment center¹ issued an adult use cannabis license
3 pursuant to this subparagraph¹ shall be authorized to use the
4 same premises for all activities authorized under P.L.2009, c.307
5 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
6 Legislature as Senate Bill No. 2703) without being required to
7 establish or maintain any physical barriers or separations between
8 operations related to the medical use of cannabis and operations
9 related to adult use cannabis, provided that the alternative treatment
10 center shall be required to certify to the commission that the
11 alternative treatment center has sufficient quantities of medical
12 cannabis and medical cannabis products available to meet the
13 reasonably anticipated treatment needs of registered qualifying
14 patients as a condition of¹ **["selling"]** engaging in activities related to
15 the growing, producing, wholesaling, or retail sale of¹ adult use
16 cannabis **["at retail"]**, as applicable¹.

17 (d) No entity may be issued or concurrently hold more than one
18 medical cannabis cultivator permit, one medical cannabis
19 manufacturer permit, or one medical cannabis dispensary permit at
20 one time, and no medical cannabis dispensary shall be authorized to
21 establish a satellite location on or after the effective date of
22 P.L. , c (C.) (pending before the Legislature as this bill),
23 except that an alternative treatment center that was issued a permit
24 prior to the effective date of P.L. , c. (C.) (pending before
25 the Legislature as this bill) or that was issued a permit after the
26 effective date of P.L. , c. (C.) (pending before the
27 Legislature as this bill) pursuant to an application submitted prior to
28 the effective date of P.L. , c. (C.) (pending before the
29 Legislature as this bill) shall be authorized to maintain any satellite
30 dispensary that was approved pursuant to an application submitted
31 prior to the effective date of P.L. , c. (C.) (pending before
32 the Legislature as this bill).

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

42 (3) The **["department"]** commission shall seek to ensure the
43 availability of a sufficient number of **["alternative treatment centers"]**
44 medical cannabis cultivators, medical cannabis manufacturers, and
45 medical cannabis dispensaries throughout the State, pursuant to
46 need, including at least two each in the northern, central, and
47 southern regions of the State. **["The first two centers issued a permit**

1 in each region shall be nonprofit entities, and centers subsequently]
2 Medical cannabis cultivators, medical cannabis manufacturers, and
3 medical cannabis dispensaries issued permits pursuant to this
4 section may be nonprofit or for-profit entities.

5 **【An alternative treatment center】**

6 (4) The commission shall periodically evaluate whether the
7 number of medical cannabis cultivator, medical cannabis
8 manufacturer, and medical cannabis dispensary permits issued are
9 sufficient to meet the needs of qualifying patients in the State, and
10 shall make requests for applications and issue such additional
11 permits as shall be necessary to meet those needs. The types of
12 permits requested and issued, and the locations of any additional
13 permits that are authorized, shall be in the discretion of the
14 executive director based on the needs of qualifying patients in the
15 State.

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

31 (b) A medical cannabis manufacturer shall be authorized to:
32 purchase or obtain medical cannabis from any medical cannabis
33 cultivator, medical cannabis manufacturer, or clinical registrant in
34 the State; possess and utilize medical cannabis in the manufacture,
35 production, and creation of medical cannabis products; and deliver,
36 transfer, transport, supply, or sell medical cannabis products and
37 related supplies to any medical cannabis manufacturer, medical
38 cannabis dispensary, or clinical registrant in the State.

39 (c) A medical cannabis dispensary shall be authorized to:
40 purchase or acquire medical cannabis from any medical cannabis
41 cultivator, medical cannabis dispensary, or clinical registrant in the
42 State and medical cannabis products and related supplies from any
43 medical cannabis manufacturer, medical cannabis dispensary, or
44 clinical registrant in the State; purchase or acquire paraphernalia
45 from any legal source; and distribute, supply, sell, or dispense
46 medical cannabis, medical cannabis products, paraphernalia, and
47 related supplies to qualifying patients or their **【primary】** designated

1 or institutional caregivers who are registered with the **【department】**
2 commission pursuant to section 4 of **【this act】** P.L.2009, c.307
3 (C.24:6I-4). **【An alternative treatment center】**

4 (6) A medical cannabis cultivator shall not be limited in the
5 number of strains of medical **【marijuana】** cannabis cultivated, and a
6 medical cannabis manufacturer shall not be limited in the number or
7 type of medical cannabis products manufactured, produced, or
8 created. A medical cannabis manufacturer may package, and a
9 medical cannabis dispensary may directly dispense **【marijuana】**
10 medical cannabis and medical cannabis products to qualifying
11 patients and their designated and institutional caregivers in any
12 authorized form. Authorized forms shall include dried form, oral
13 lozenges, topical formulations, transdermal form, sublingual form,
14 tincture form, or edible form, or any other form as authorized by the
15 **【commissioner】** executive director. Edible form shall include
16 tablets, capsules, drops or syrups, oils, and any other form as
17 authorized by the **【commissioner】** executive director. **【Edible**
18 **forms shall be available only to qualifying patients who are minors.**

19 Applicants for authorization as nonprofit alternative treatment
20 centers shall be subject to all applicable State laws governing
21 nonprofit entities, but **】**

22 (7) Nonprofit medical cannabis cultivators, medical cannabis
23 manufacturers, and medical cannabis dispensaries need not be
24 recognized as a 501(c)(3) organization by the federal Internal
25 Revenue Service.

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

30 c. A person who has been convicted of a crime of the first,
31 second, or third degree under New Jersey law or of a crime
32 involving any controlled dangerous substance or controlled
33 substance analog as set forth in chapter 35 of Title 2C of the New
34 Jersey Statutes except paragraph (4) of subsection a. of
35 N.J.S.2C:35-10, or any similar law of the United States or any other
36 state shall not be issued a permit to operate as **【an alternative**
37 treatment center】 a medical cannabis cultivator, medical cannabis
38 manufacturer, medical cannabis dispensary, or clinical registrant or
39 be a director, officer, or employee of **【an alternative treatment**
40 center】 a medical cannabis cultivator, medical cannabis
41 manufacturer, medical cannabis dispensary, or clinical registrant,
42 unless such conviction occurred after the effective date of **【this act】**
43 P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of federal
44 law relating to possession or sale of **【marijuana】** cannabis for
45 conduct that is authorized under **【this act】** P.L.2009, c.307

1 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or
2 P.L. , c. (C.) (pending before the Legislature as this bill).

3 d. (1) The **【commissioner】** executive director shall require
4 each applicant seeking a permit to operate as 【an alternative
5 treatment center】¹, to be a director, officer, or employee of, or to
6 be an investor in,¹ a medical cannabis cultivator, medical cannabis
7 manufacturer, medical cannabis dispensary, or clinical registrant to
8 undergo a criminal history record background check, except that no
9 criminal history record background check shall be required for an
10 ‘【applicant】 individual¹ who holds less than a five percent
11 investment interest in the medical cannabis cultivator, medical
12 cannabis manufacturer, medical cannabis dispensary, or clinical
13 registrant or who is a member of a group that holds less than a 20
14 percent investment interest in the medical cannabis cultivator,
15 medical cannabis manufacturer, medical cannabis dispensary, or
16 clinical registrant where no member of the group holds more than a
17 five percent interest in the total group investment interest, and the
18 ‘【applicant】 individual or group¹ lacks the authority to make
19 controlling decisions regarding medical cannabis cultivator, medical
20 cannabis manufacturer, medical cannabis dispensary, or clinical
21 registrant operations.

22 In the event that an individual who is exempt from the criminal
23 history record background check requirement of this section
24 subsequently acquires an investment interest of five percent or more
25 in the medical cannabis cultivator, medical cannabis manufacturer,
26 medical cannabis dispensary, or clinical registrant, or a group that is
27 exempt from the criminal history record background check
28 requirement of this section subsequently acquires an investment
29 interest of 20 percent or more in the medical cannabis cultivator,
30 medical cannabis manufacturer, medical cannabis dispensary, or
31 clinical registrant or any member of the group acquires more than a
32 five percent interest in the total group investment interest, or the
33 individual or group gains the authority to make controlling
34 decisions regarding medical cannabis cultivator, medical cannabis
35 manufacturer, medical cannabis dispensary, or clinical registrant
36 operations, the individual or the members of the group, as
37 applicable, shall notify the commission and shall complete a
38 criminal history record background check¹ and provide all
39 information as may be required by the commission¹ no later than 30
40 days after the date that such change occurs, or any permit issued to
41 the individual or group shall be revoked and the individual or group
42 shall be deemed ineligible to hold any ownership or investment
43 interest in a medical cannabis cultivator, medical cannabis
44 manufacturer, medical cannabis dispensary, or clinical registrant for
45 a period of two years, commencing from the date of revocation.

46 For purposes of this section, the term "applicant" shall include
47 any owner, director, officer, or employee of **【an alternative**

1 treatment center] ¹, and any investor in, ¹ a medical cannabis
2 cultivator, medical cannabis manufacturer, medical cannabis
3 dispensary, or clinical registrant ¹, but shall not include any
4 individual or group that is exempt from the criminal history record
5 background check requirements of this section, which individuals
6 and groups shall not be required to complete any portion of an
7 initial or renewal permit application unless the individual or group
8 subsequently becomes subject to the criminal history record
9 background check requirement as provided in this section, in which
10 case the individual or group shall be required to provide all
11 information as may be required by the commission within 30 days
12 of the change or any permit issued to the individual or group shall
13 be revoked and the individual or group shall be deemed ineligible to
14 hold any ownership or investment interest in a medical cannabis
15 cultivator, medical cannabis manufacturer, medical cannabis
16 dispensary, or clinical registrant for a period of two years,
17 commencing from the date of revocation¹. The **[commissioner]**
18 executive director is authorized to exchange fingerprint data with
19 and receive criminal history record background information from
20 the Division of State Police and the Federal Bureau of Investigation
21 consistent with the provisions of applicable federal and State laws,
22 rules, and regulations. The Division of State Police shall forward
23 criminal history record background information to the
24 **[commissioner]** executive director in a timely manner when
25 requested pursuant to the provisions of this section.

26 An applicant who is required to undergo a criminal history
27 record background check pursuant to this section shall submit to
28 being fingerprinted in accordance with applicable State and federal
29 laws, rules, and regulations. No check of criminal history record
30 background information shall be performed pursuant to this section
31 unless the applicant has furnished **[his]** the applicant's written
32 consent to that check. An applicant who is required to undergo a
33 criminal history record background check pursuant to this section
34 who refuses to consent to, or cooperate in, the securing of a check
35 of criminal history record background information shall not be
36 considered for a permit to operate, or authorization to be employed
37 at ¹or to be an investor in¹, **[an alternative treatment center]** a
38 medical cannabis cultivator, medical cannabis manufacturer,
39 medical cannabis dispensary, or clinical registrant. An applicant
40 shall bear the cost for the criminal history record background check,
41 including all costs of administering and processing the check.

42 (2) The **[commissioner]** executive director shall not approve an
43 applicant for a permit to operate, or authorization to be employed at
44 ¹or to be an investor in¹, **[an alternative treatment center]** a medical
45 cannabis cultivator, medical cannabis manufacturer, medical
46 cannabis dispensary, or clinical registrant if the criminal history

1 record background information of the applicant reveals a
2 disqualifying conviction as set forth in subsection c. of this section.

3 (3) Upon receipt of the criminal history record background
4 information from the Division of State Police and the Federal
5 Bureau of Investigation, the **【commissioner】** executive director
6 shall provide written notification to the applicant of **【his】** the
7 applicant's qualification for or disqualification for a permit to
8 operate or be a director, officer, or employee of **【an alternative**
9 **treatment center】** ¹, or an investor in,¹ a medical cannabis
10 cultivator, medical cannabis manufacturer, medical cannabis
11 dispensary, or clinical registrant.

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 **【commissioner】** executive director in the event that an individual
18 who was the subject of a criminal history record background check
19 conducted pursuant to this section is convicted of a crime or offense
20 in this State after the date the background check was performed.
21 Upon receipt of that notification, the **【commissioner】** executive
22 director shall make a determination regarding the continued
23 eligibility to operate or be a director, officer, or employee of **【an**
24 **alternative treatment center】** ¹, or an investor in,¹ a medical
25 cannabis cultivator, medical cannabis manufacturer, medical
26 cannabis dispensary, or clinical registrant.

27 (5) Notwithstanding the provisions of subsection **【b.】** c. of this
28 section to the contrary, the **【commissioner】** executive director may
29 offer provisional authority for an applicant to be an owner, director,
30 officer, or employee of **【an alternative treatment center】** ¹, or an
31 investor in,¹ a medical cannabis cultivator, medical cannabis
32 manufacturer, medical cannabis dispensary, or clinical registrant
33 for a period not to exceed three months if the applicant submits to the
34 **【commissioner】** executive director a sworn statement attesting that
35 the person has not been convicted of any disqualifying conviction
36 pursuant to this section.

37 (6) Notwithstanding the provisions of subsection **【b.】** c. of this
38 section to the contrary, no applicant to be an owner, director,
39 officer, or employee of **【an alternative treatment center】** ¹, or an
40 investor in,¹ a medical cannabis cultivator, medical cannabis
41 manufacturer, medical cannabis dispensary, or clinical registrant
42 shall be disqualified on the basis of any conviction disclosed by a
43 criminal history record background check conducted pursuant to
44 this section if the individual has affirmatively demonstrated to the
45 **【commissioner】** executive director clear and convincing evidence
46 of rehabilitation. In determining whether clear and convincing

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

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

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

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

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

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

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

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

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

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

44 f. A person who has been issued a permit pursuant to this
45 section , a conditional permit pursuant to section 11 of
46 P.L. , c. (C.) (pending before the Legislature as this bill),
47 or a clinical registrant permit pursuant to section 13 of

1 P.L. , c. (C.) (pending before the Legislature as this bill)
2 shall display the permit or conditional permit at the front entrance
3 to the premises of the [alternative treatment center] permitted
4 facility at all times when the facility is engaged in conduct
5 authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) involving
6 medical cannabis, including, but not limited to, the cultivating,
7 manufacturing, or dispensing of medical cannabis [marijuana is
8 being produced, or dispensed to a registered qualifying patient or
9 the patient's primary caregiver].

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

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

29 (2) Each medical cannabis manufacturer shall maintain and
30 make available through its Internet website, if any, a standard price
31 list that shall apply to all medical cannabis products sold by the
32 medical cannabis manufacturer to other medical cannabis
33 manufacturers and to medical cannabis dispensaries and clinical
34 registrants, which prices shall be reasonable and consistent with the
35 actual costs incurred by the medical cannabis manufacturer in
36 connection with producing the medical cannabis product. The
37 prices charged by the medical cannabis manufacturer shall not
38 deviate from the prices indicated on the facility's current price list.

39 (3) Each clinical registrant shall maintain and make available
40 through its Internet website, if any, a standard price list that shall
41 apply to all medical cannabis sold by the clinical registrant to other
42 clinical registrants and to medical cannabis cultivators, medical
43 cannabis manufacturers, and medical cannabis dispensaries and to
44 all medical cannabis products sold by the clinical registrant to other
45 clinical registrants and to medical cannabis manufacturers and
46 medical cannabis dispensaries, which prices shall be reasonable and
47 consistent with the actual costs incurred by the clinical registrant in

1 connection with cultivating the medical cannabis or producing the
2 medical cannabis product. The prices charged by the clinical
3 registrant shall not deviate from the prices indicated on the clinical
4 registrant's current price list. Any prices a clinical registrant
5 charges to a qualifying patient, designated caregiver, or institutional
6 caregiver for medical cannabis, medical cannabis products, and
7 related supplies and paraphernalia shall be reasonable and
8 consistent with the actual costs incurred by the medical cannabis
9 dispensary in connection with cultivating, producing, acquiring, or
10 dispensing the medical cannabis or medical cannabis product and
11 related supplies and paraphernalia. A clinical registrant may
12 establish a written policy for making medical cannabis available at
13 a reduced price or without charge to qualifying patients who have a
14 demonstrated financial hardship, as that term shall be defined by the
15 commission by regulation.

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

29 (5) A price list required under paragraphs (1), (2), or (3) of this
30 subsection may be revised no more than once per month, and each
31 medical cannabis cultivator, medical cannabis manufacturer, and
32 clinical registrant shall be responsible for ensuring that the
33 commission has a copy of the facility's current price list. A
34 medical cannabis cultivator, medical cannabis manufacturer, or
35 clinical registrant shall be liable to a civil penalty of \$1,000 for
36 each sale that occurs at a price that deviates from the entity's
37 current price list, and to a civil penalty of \$10,000 for each week
38 during which the entity's current price list is not on file with the
39 commission. Any civil penalties collected by the commission
40 pursuant to this section shall be used by the commission for the
41 purposes of administering the State medical cannabis program.

42 i. The **【commissioner】** executive director shall adopt
43 regulations to:

44 (1) require such written documentation of each delivery of
45 cannabis to, and pickup of cannabis for, a registered qualifying
46 patient, including the date and amount dispensed, to be maintained
47 in the records of the **【alternative treatment center】** medical cannabis
48 dispensary or clinical registrant, as the **【commissioner】** executive

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

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

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

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

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

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

35 k. (1) A medical cannabis cultivator, medical cannabis
36 manufacturer, or medical cannabis dispensary that seeks to sell or
37 transfer its permit to another entity shall apply to the commission
38 for approval of the sale or transfer. The commission shall not
39 approve the sale or transfer of a permit until each applicant at the
40 entity applying to purchase or receive the transfer of the permit
41 undergoes a criminal history record background check pursuant to
42 subsection d. of this section and the commission finds that the sale
43 or transfer of the permit would be consistent with the purposes of
44 P.L.2009, c.307 (C.24:6I-1 et al.). The denial of an application to
45 sell or transfer a medical cannabis cultivator, medical cannabis
46 manufacturer, or medical cannabis dispensary permit shall be

1 considered a final agency decision, subject to review by the
2 Appellate Division of the Superior Court.

3 (2) If a nonprofit medical cannabis cultivator, medical cannabis
4 manufacturer, or medical cannabis dispensary proposes to sell or
5 transfer its permit ¹and other assets¹ to a for-profit entity, its board
6 of directors may proceed with the sale or transfer upon receiving
7 approval for the sale or transfer from the commission pursuant to
8 paragraph (1) of this subsection. In the case of a nonprofit
9 alternative treatment center that was issued a permit prior to the
10 effective date of P.L. , c. (C.) (pending before the Legislature
11 as this bill) or that was issued a permit after the effective date of
12 P.L. , c. (C.) (pending before the Legislature as this bill)
13 pursuant to an application submitted prior to the effective date of
14 P.L. , c. (C.) (pending before the Legislature as this bill),
15 any such transfer shall not be subject to the requirements of the
16 “New Jersey Nonprofit Corporation Act,” N.J.S.15A:1-1 et seq.,
17 provided that, prior to or at the time of the sale or transfer, all debts
18 and obligations of the nonprofit entity are either paid in full or
19 assumed by the for-profit entity purchasing or acquiring the permit,
20 or a reserve fund is established for the purpose of paying in full the
21 debts and obligations of the nonprofit entity ¹, and the for-profit
22 entity pays the full value of all assets held by the nonprofit entity,
23 as reflected on the nonprofit entity’s balance sheet, in addition to
24 the agreed-upon and commission-approved price for the sale or
25 transfer of the entity’s alternative treatment center permit¹.

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

38 m. In the event that a medical cannabis cultivator, medical
39 cannabis manufacturer, medical cannabis dispensary, or clinical
40 registrant fails to comply with any requirements set forth in
41 P.L.2009, c.307 (C.24:6I-1 et al.), P.L. , c. (C.) (pending
42 before the Legislature as this bill), or any related law or regulation,
43 the commission may invoke penalties or take administrative action
44 against the medical cannabis cultivator, medical cannabis
45 manufacturer, medical cannabis dispensary, or clinical registrant
46 and its employees, officers, investors, directors, or governing board,
47 including, but not limited to, assessing fines, referring matters to
48 another State agency, and suspending or terminating any permit

1 held by the medical cannabis cultivator, medical cannabis
2 manufacturer, medical cannabis dispensary, or clinical registrant.
3 Any penalties imposed or administrative actions taken by the
4 commission pursuant to this subsection may be imposed in a
5 summary proceeding.

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

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

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

46 The commission shall issue a permit to an approved applicant at
47 such time as the commission completes the application review
48 process and any mandatory inspections, and determines that the

1 applicant is in compliance with and is implementing the plans,
2 procedures, protocols, actions, or other measures set forth in the
3 applicant's permit application submitted pursuant to section 12 of
4 P.L. , c. (C.) (pending before the Legislature as this bill),
5 did maintain compliance with the terms, conditions, or restrictions
6 of a conditional permit issued to the applicant, if applicable, and is
7 otherwise in compliance with the requirements of P.L.2009, c.307
8 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
9 Legislature as this bill).

10

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

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

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

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

- 39 (a) State-authorized cultivation of medical cannabis;
- 40 (b) conventional horticulture or agriculture, familiarity with
41 good agricultural practices, and any relevant certifications or
42 degrees;
- 43 (c) quality control and quality assurance;
- 44 (d) recall plans;
- 45 (e) packaging and labeling;
- 46 (f) inventory control and tracking software or systems for the
47 production of medical cannabis;
- 48 (g) analytical chemistry and testing of medical cannabis;

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

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

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

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

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

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

13 In evaluating the experience described under subparagraphs (a),
14 (b), and (c) of this paragraph, the commission shall afford the
15 greatest weight to the experience of the applicant itself, controlling
16 owners, and entities with common ownership or control with the
17 applicant; followed by the experience of those with a 15 percent or
18 greater ownership interest in the applicant's organization; followed
19 by interest holders in the applicant's organization; followed by
20 other officers, directors, and bona fide full-time employees of the
21 applicant as of the submission date of the application.

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

24 (a) the proposed location, the surrounding area, and the
25 suitability or advantages of the proposed location, along with a
26 floor plan and optional renderings or architectural or engineering
27 plans;

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

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

42 Notwithstanding any other provision of this subsection, an
43 application shall be disqualified from consideration unless it
44 includes documentation demonstrating that the applicant will have
45 final control of the premises upon approval of the application,
46 including, but not limited to, a lease agreement, contract for sale,
47 title, deed, or similar documentation. In addition, if the applicant
48 will lease the premises, the application will be disqualified from

1 consideration unless it includes certification from the landlord that
2 the landlord is aware that the tenant's use of the premises will
3 involve activities related to the cultivation, manufacturing, or
4 dispensing of medical cannabis and medical cannabis products. An
5 application shall not be disqualified from consideration if the
6 application does not include the materials described in
7 subparagraphs (b) or (c) of this paragraph.

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

11 (a) a community impact plan summarizing how the applicant
12 intends to have a positive impact on the community in which the
13 proposed entity is to be located, which shall include an economic
14 impact plan, a description of outreach activities, and any financial
15 assistance or discount plans the applicant will provide to qualifying
16 patients and designated caregivers;

17 (b) a written description of the applicant's record of social
18 responsibility, philanthropy, and ties to the proposed host
19 community;

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

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

28 In evaluating the information submitted pursuant to
29 subparagraphs (b) and (c) of this paragraph, the commission shall
30 afford the greatest weight to the experience of the applicant itself,
31 controlling owners, and entities with common ownership or control
32 with the applicant; followed by the experience of those with a 15
33 percent or greater ownership interest in the applicant's organization;
34 followed by interest holders in the applicant's organization;
35 followed by other officers, directors, and bona fide full-time
36 employees of the applicant as of the submission date of the
37 application.

38 (6) A workforce development and job creation plan, which may
39 include, but shall not be limited to a description of the applicant's
40 workforce development and job creation plan, which may include
41 information on the applicant's history of job creation and planned
42 job creation at the proposed facility; education, training, and
43 resources to be made available for employees; any relevant
44 certifications; and an optional diversity plan.

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

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

1 (b) a demonstration of the applicant’s financial ability to
2 implement its business plan, which may include, but shall not be
3 limited to, bank statements, business and individual financial
4 statements, net worth statements, and debt and equity financing
5 statements; and

6 (c) a description of the applicant’s experience complying with
7 guidance pertaining to cannabis issued by the Financial Crimes
8 Enforcement Network under 31 U.S.C. s.5311 et seq., the federal
9 “Bank Secrecy Act”, which may be demonstrated by submitting
10 letters regarding the applicant’s banking history from banks or
11 credit unions that certify they are aware of the business activities of
12 the applicant, or entities with common ownership or control of the
13 applicant’s organization, in any state where the applicant has
14 operated a business related to medical cannabis. For the purposes
15 of this subparagraph, the commission shall consider only bank
16 references involving accounts in the name of the applicant or of an
17 entity with common ownership or control of the applicant’s
18 organization. An applicant who does not submit the information
19 described in this subparagraph shall not be disqualified from
20 consideration.

21 (8) Whether any of the applicant’s majority or controlling
22 owners were previously approved by the commission to serve as an
23 officer, director, principal, or key employee of an alternative
24 treatment center, provided any such individual served in that
25 capacity at the alternative treatment center for six or more months;

26 (9) Whether the applicant can demonstrate that its governance
27 structure includes the involvement of a school of medicine or
28 osteopathic medicine licensed and accredited in the United States,
29 or a general acute care hospital, ambulatory care facility, adult day
30 care services program, or pharmacy licensed in New Jersey,
31 provided that:

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

37 (b) the school, hospital, facility, or pharmacy holds a profit
38 share or ownership interest in the applicant’s organization of 10
39 percent or more, except in the case of an accredited school of
40 medicine or osteopathic medicine that is located and licensed in
41 New Jersey; and

42 (c) the school, hospital, facility, or pharmacy participates in
43 major decision-making activities within the applicant’s
44 organization, which may be demonstrated by representation on the
45 board of directors of the applicant’s organization.

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

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

3 e. In addition to the information to be submitted pursuant to
4 subsections c. and d. of this section, the commission shall require
5 all permit applicants, other than applicants issued a conditional
6 license, to submit an attestation signed by a bona fide labor
7 organization stating that the applicant has entered into a labor peace
8 agreement with such bona fide labor organization. The
9 maintenance of a labor peace agreement with a bona fide labor
10 organization shall be an ongoing material condition of maintaining
11 a medical cannabis cultivator, medical cannabis manufacturer, or
12 medical cannabis dispensary permit. The submission of an
13 attestation and maintenance of a labor peace agreement with a bona
14 fide labor organization by an applicant issued a conditional permit
15 pursuant to section 11 of P.L. , c. (C.) (pending before the
16 Legislature as this bill) shall be a requirement for final approval for
17 a permit; failure to enter into a collective bargaining agreement
18 within 200 days of the opening of a medical cannabis cultivator,
19 medical cannabis manufacturer, or medical cannabis dispensary
20 shall result in the suspension or revocation of such permit or
21 conditional permit. In reviewing initial permit applications, the
22 commission shall give priority to the following:

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

26 (2) Applicants that are party to a collective bargaining
27 agreement with a labor organization that currently represents
28 cannabis workers in another state.

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

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

35 f. In reviewing an initial permit application, unless the
36 information is otherwise solicited by the commission in a specific
37 application question, the commission's evaluation of the application
38 shall be limited to the experience and qualifications of the
39 applicant's organization, including any entities with common
40 ownership or control of the applicant's organization, controlling
41 owners or interest holders in the applicant's organization, and the
42 officers, directors, and current full-time existing employees of the
43 applicant's organization. Responses pertaining to consultants,
44 independent contractors, applicants who are exempt from the
45 criminal history record background check requirements of section 7
46 of P.L.2009, c.307 (C.24:6I-7), and prospective or part-time
47 employees of the entity shall not be considered. Each applicant

1 shall certify as to the status of the individuals and entities included
2 in the application.

3 g. The commission shall develop policies and procedures to
4 promote and encourage full participation in the medical cannabis
5 industry by individuals from communities that have historically
6 experienced disproportionate harm under the State's cannabis
7 prohibition and enforcement laws, and to have a positive effect on
8 those communities. The commission shall conduct a disparity study
9 to determine whether race-based measures should be considered
10 when issuing permits pursuant to this section, and shall require that
11 at least ¹~~25~~ 30¹ percent of the total number of new medical
12 cannabis cultivator permits, medical cannabis manufacturer permits,
13 and medical cannabis dispensary permits issued on or after the
14 effective date of P.L. , c. (C.) (pending before the
15 Legislature as this bill) are issued ¹~~to a qualified applicant that~~ as
16 follows¹:

17 (1) ¹at least 15 percent of the total number of new medical
18 cannabis cultivator permits, medical cannabis manufacturer
19 permits, and medical cannabis dispensary permits issued on or after
20 the effective date of P.L. , c. (C.) (pending before the
21 Legislature as this bill) shall be issued to a qualified applicant that¹
22 has been certified as a minority business ¹~~or as a women's~~
23 ~~business~~¹ pursuant to P.L.1986, c.195 (C.52:27H-21.18 et seq.);
24 and¹

25 (2) ¹~~has been certified as a veteran-owned business pursuant to~~
26 ~~P.L.2011, c.147 (C.52:32-49 et seq.);~~

27 (3) at least 15 percent of the total number of new medical
28 cannabis cultivator permits, medical cannabis manufacturer
29 permits, and medical cannabis dispensary permits issued on or after
30 the effective date of P.L. , c. (C.) (pending before the
31 Legislature as this bill) shall be issued to a qualified applicant that
32 has been certified as a women's business pursuant to P.L.1986,
33 c.195 (C.52:27H-21.18 et seq.) or that¹ is a disabled-veterans'
34 business, as defined in section 2 of P.L.2015, c.116 (C.52:32-31.2)
35 ¹~~; or~~

36 (4) has been certified by the United States Small Business
37 Administration or other issuing agency of the federal government as
38 a minority-owned business, women-owned business, or service-
39 disabled veteran-owned business¹.

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

43 h. The commission shall give special consideration to any
44 applicant that has entered into an agreement with an institution of
45 higher education to create an integrated curriculum involving the
46 cultivation, manufacturing, and dispensing of medical cannabis,
47 provided that the curriculum is approved by both the commission

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

23 i. Application materials submitted to the commission pursuant
24 to this section shall not be considered a public record pursuant to
25 P.L.1963, c.73 ¹【, P.L.2001, c.404】¹ (C.47:1A-1 et ¹【al.】, or the
26 common law concerning access to public records】 seq.) or
27 P.L.2001, c.404 (C.47:1A-5 et al.)¹.

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

46

47 13. (New section) a. The commission shall issue clinical
48 registrant permits to qualified applicants that meet the requirements

1 of this section. In addition to any other requirements as the
2 commission establishes by regulation regarding application for and
3 issuance of a clinical registrant permit, each clinical registrant
4 applicant shall:

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

8 (2) submit to the commission any required application and
9 permit fees;

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

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

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

30 c. A contract between a clinical registrant and an academic
31 medical center shall include a commitment by the academic medical
32 center, or its affiliate, to engage in clinical research related to the
33 use of medical cannabis in order to advise the clinical registrant
34 concerning patient health and safety, medical applications, and
35 dispensing and management of controlled substances, among other
36 areas. A clinical registrant issued a permit pursuant to this section
37 shall have a written contractual relationship with no more than one
38 academic medical center.

39 d. A clinical registrant issued a permit pursuant to this section
40 shall be authorized to engage in all conduct involving the
41 cultivation, processing, and dispensing of medical cannabis as is
42 authorized for an entity holding medical cannabis cultivator,
43 medical cannabis manufacturer, and medical cannabis dispensary
44 permits pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c.
45 (C.) (pending before the Legislature as this bill), including
46 dispensing medical cannabis and medical cannabis products to
47 qualifying patients and designated and institutional caregivers. The
48 clinical registrant shall additionally be authorized to engage in

1 clinical research involving medical cannabis using qualifying
2 patients who consent to being part of such research, subject to any
3 restrictions established by the commission.

4 e. A clinical registrant issued a permit pursuant to this section
5 may apply to the commission for a 'Class 3 Cannabis Wholesaler
6 license or for a' Class 1 Cannabis Grower license, a Class 2
7 Cannabis Processor '[License, a Class 3 Cannabis Wholesaler]'
8 license, and a Class 4 Cannabis '[Retail] Retailer' license, and
9 shall be authorized to '[concurrently hold one of each license type
10 and]' engage in any activities authorized pursuant to '[the] any
11 such' license 'issued, provided that:

12 (1) a clinical registrant may concurrently hold a Class 1
13 Cannabis Grower license, a Class 2 Cannabis Processor license, and
14 a Class 4 Cannabis Retailer license;

15 (2) a clinical registrant that is issued a Class 3 Cannabis
16 Wholesaler license shall not be authorized to concurrently hold a
17 Class 1 Cannabis Grower license, a Class 2 Cannabis Processor
18 license, or a Class 4 Cannabis Retailer license; and

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

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

38 f. (1) A clinical registrant issued a permit pursuant to this
39 section may conduct authorized activities related to medical
40 cannabis and, if applicable, adult use cannabis, at more than one
41 physical location, provided that each location is approved by the
42 commission and is in the same region in which the academic
43 medical center with which the clinical registrant has a contract is
44 located.

45 (2) A clinical registrant may apply to the commission for
46 approval to relocate an approved facility to another location in the
47 same region, which application shall be approved unless the

1 commission makes a specific determination that the proposed
2 relocation would be inconsistent with the purposes of P.L.2009,
3 c.307 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
4 Legislature as this bill). The denial of an application for relocation
5 submitted pursuant to this paragraph shall be considered a final
6 agency decision, subject to review by the Appellate Division of the
7 Superior Court.

8 (3) The commission may authorize a clinical registrant to
9 dispense medical cannabis and medical cannabis products from
10 more than one physical location if the commission determines that
11 authorizing additional dispensing locations is necessary for the
12 clinical registrant to best serve and treat qualifying patients and
13 clinical trial participants.

14 g. A clinical registrant permit shall not be sold or transferred to
15 any other entity unless the commission finds that the sale or transfer
16 of the permit is necessary to continue essential clinical research or
17 the commission finds that the sale or transfer is otherwise consistent
18 with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. ,
19 c. (C.) (pending before the Legislature as this bill). No sale
20 or transfer of a clinical registrant permit shall be approved until
21 each applicant at the entity applying to purchase or receive the
22 transfer of the permit undergoes a criminal history record
23 background check pursuant to subsection d. of section 7 of
24 P.L.2009, c.307 (C.24:6I-7).

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

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

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

44
45 14. (New section) a. (1) The commission shall, within 18
46 months following the commission's organization, and every three
47 years thereafter, conduct a feasibility study concerning the potential
48 for establishing a cannabis research and development permit type.

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

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

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

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

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

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

1 15. (New section) a. A medical cannabis cultivator, medical
2 cannabis manufacturer, medical cannabis dispensary, or clinical
3 registrant may appoint a medical advisory board to provide advice
4 to the medical cannabis cultivator, medical cannabis manufacturer,
5 medical cannabis dispensary, or clinical registrant on all aspects of
6 its business.

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

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

23

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

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

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

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

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

6 c. As used in this section:

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

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

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

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

22

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

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

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

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

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

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

40

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

43 10. a. A **[physician]** health care practitioner shall provide
44 written instructions for a registered qualifying patient or **[his]** the
45 patient's designated caregiver, or an institutional caregiver acting
46 on behalf of the patient, to present to **[an alternative treatment**
47 **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 ¹verification of¹ the patient's or
25 caregiver's ¹**[registry identification card]** registration with the
26 commission¹, 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
46 medical cannabis dispensary or clinical registrant shall access the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29
30 19. Section 13 of P.L.2009, c.307 (C.24:6I-11) is amended to
31 read as follows:

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

38 b. All fees collected pursuant to **【this act】** P.L.2009, c.307
39 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
40 Legislature as this bill), including those from qualifying patients,
41 designated and institutional caregivers, and 【alternative treatment
42 centers'】 initial, modification and renewal applications for
43 alternative treatment centers, including medical cannabis
44 cultivators, medical cannabis manufacturers, medical cannabis
45 dispensaries, and clinical registrants, shall be used to offset the cost
46 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-
14 1 et al.); and

15 (2) annually thereafter on the number of applications for
16 **'[registry identification cards]** registration with the commission¹,
17 the number of qualifying patients registered, the number of
18 **[primary]** designated and institutional caregivers registered, the
19 nature of the **[debilitating]** qualifying medical conditions of the
20 patients, the number of **'[registry identification cards]**
21 registrations¹ revoked, the number of **[alternative treatment center]**
22 medical cannabis cultivator, medical cannabis manufacturer, and
23 medical cannabis dispensary permits issued and revoked, the
24 number and type of integrated curricula approved, established, and
25 maintained in connection with an IC permit, the number of testing
26 laboratories licensed, the number of clinical registrant permits
27 issued and the nature of the clinical research conducted by each
28 clinical registrant, any incidents of diversion of medical cannabis,
29 information concerning racial, ethnic, and gender diversity in the
30 individuals issued and currently holding permits issued by the
31 commission, statistics concerning arrests for drug offenses
32 throughout the State and in areas where medical cannabis
33 dispensaries are located, including information concerning racial
34 disparities in arrest rates for drug offenses generally and cannabis
35 offenses in particular, and the number of **[physicians providing**
36 **certifications for]** health care practitioners authorizing patients for
37 the medical use of cannabis, including the types of license or
38 certification held by those 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
47 cultivators, medical cannabis manufacturers, medical cannabis

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

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

18

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

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

40 b. The Division of State Police shall promptly notify the
41 **【Department of Health】** Cannabis Regulatory Commission in the
42 event an applicant seeking to serve as a **【primary】** designated or
43 institutional caregiver, an applicant for a license to operate as, or to
44 be a director, officer, or employee of, a medical cannabis testing
45 laboratory, an applicant for a license to operate as, or to be a
46 director, officer, or employee of, ¹or an investor in,¹ a clinical

1 registrant, or an applicant for a permit to operate as, or to be a
2 director, officer, or employee of, **an alternative treatment center**
3 or an investor in, a medical cannabis cultivator, medical cannabis
4 manufacturer, or medical cannabis dispensary, who was the subject
5 of a criminal history record background check conducted pursuant
6 to subsection a. of this section, is convicted of a crime involving
7 possession or sale of a controlled dangerous substance.
8 (cf: P.L.2012, c.17, s.91)

9
10 22. Section 16 of P.L.2009, c.307 (C.24:6I-14) is amended to
11 read as follows:

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

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

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

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

45 c. No later than 90 days after the effective date of
46 P.L. , c. (C.) (pending before the Legislature as this bill),
47 the executive director shall promulgate rules and regulations to

1 effectuate the purposes of P.L. , c. (C.) (pending before the
2 Legislature as this bill). Rules and regulations adopted pursuant to
3 this subsection shall, at a minimum:

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

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

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

16

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

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

38

39 25. (New section) a. A laboratory that performs testing services
40 pursuant to section 24 of P.L. , c. (C.) (pending before the
41 Legislature as this bill) shall be licensed by the commission and
42 may be subject to inspection by the commission to determine the
43 condition and calibration of any equipment used for testing
44 purposes and to ensure that testing is being performed in
45 accordance with the requirements of section 26 of
46 P.L. , c. (C.) (pending before the Legislature as this bill).

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

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

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

19 For purposes of this section, the term "applicant" shall include
20 any owner, director, officer, or employee of a medical cannabis
21 testing laboratory. The executive director is authorized to exchange
22 fingerprint data with and receive criminal history record
23 background information from the Division of State Police and the
24 Federal Bureau of Investigation consistent with the provisions of
25 applicable federal and State laws, rules, and regulations. The
26 Division of State Police shall forward criminal history record
27 background information to the executive director in a timely
28 manner when requested pursuant to the provisions of this section.

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

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

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

7 If the applicant is disqualified because of a disqualifying
8 conviction pursuant to the provisions of this section, the conviction
9 that constitutes the basis for the disqualification shall be identified
10 in the written notice.

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

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

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

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

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

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

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

43 (e) the age of the individual when the crime or offense was
44 committed;

45 (f) whether the crime or offense was an isolated or repeated
46 incident;

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

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

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

11 b. Any test performed on medical cannabis or on a medical
12 cannabis product shall include, at a minimum, liquid
13 chromatography analysis to determine chemical composition and
14 potency, and screening for contamination by biologic contaminants,
15 foreign material, residual pesticides, and other agricultural residue
16 and residual solvents.

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

21 d. Equipment used by a licensed laboratory for testing purposes
22 shall be routinely inspected, calibrated, and maintained in
23 accordance with national standards or, if national standards are not
24 available, with the manufacturer's specifications. Calibration
25 procedures shall include specific directions and limits for accuracy
26 and precision, and provisions for remedial action when these limits
27 are not met. Each licensed laboratory shall maintain records of all
28 inspection, calibration, and maintenance activities, which shall be
29 made available to the commission upon request.

30 e. Until such time as the commission establishes the standards
31 required by this section, a licensed laboratory may utilize testing
32 standards established by any other state with a medical cannabis
33 program.

34
35 27. (New section) The executive director may waive any
36 requirement of P.L.2009, c.307 (C.24:6I-1 et al.) or
37 P.L. , c. (C.) (pending before the Legislature as this bill) if
38 the executive director determines that granting the waiver is
39 necessary to achieve the purposes of 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) and provide access to patients who would not otherwise
42 qualify for the medical use of cannabis to alleviate suffering from a
43 diagnosed medical condition, and does not create a danger to the
44 public health, safety, or welfare.

45
46 28. (New section) All powers, duties, and responsibilities with
47 regard to the regulation and oversight of activities authorized
48 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and

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

16 29. (New section) If any provision of P.L.2009, c.307 (C.24:6I-
17 1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or
18 P.L. , c. (C.) (pending before the Legislature as this bill) or
19 its application to any person or circumstance is held invalid, the
20 invalidity does not affect other provisions or applications of
21 P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-
22 12.22 et al.), and P.L. , c. (C.) (pending before the
23 Legislature as this bill) which can be given effect without the
24 invalid provision or application, and to this end the provisions of
25 P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-
26 12.22 et al.), and P.L. , c. (C.) (pending before the
27 Legislature as this bill) are severable.
28

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

30 2C:35-18. Exemption; Burden of Proof. a. If conduct is
31 authorized by the provisions of P.L.1970, c.226 (C.24:21-1 et seq.),
32 P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** P.L.2015, c.158 (C.18A:40-
33 12.22 et al.), or P.L. , c. (C.) (pending before the
34 Legislature as this bill), that authorization shall, subject to the
35 provisions of this section, constitute an exemption from criminal
36 liability under this chapter or chapter 36, and the absence of such
37 authorization shall not be construed to be an element of any offense
38 in this chapter or chapter 36. It is an affirmative defense to any
39 criminal action arising under this chapter or chapter 36 that the
40 defendant is the authorized holder of an appropriate registration,
41 permit, or order form or is otherwise exempted or excepted from
42 criminal liability by virtue of any provision of P.L.1970, c.226
43 (C.24:21-1 et seq.), P.L.2009, c.307 (C.24:6I-1 et al.), **[or]**
44 P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.)
45 (pending before the Legislature as this bill). The affirmative defense
46 established herein shall be proved by the defendant by a
47 preponderance of the evidence. It shall not be necessary for the
48 State to negate any exemption set forth in this act or in any

1 provision of Title 24 of the Revised Statutes in any complaint,
2 information, indictment, or other pleading or in any trial, hearing,
3 or other proceeding under this act.

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

9
10 31. Section 1 of P.L.2015, c.158 (C.18A:40-12.22) is amended
11 to read as follows:

12 1. a. A board of education or chief school administrator of a
13 nonpublic school shall develop a policy authorizing parents,
14 guardians, and **【primary】** designated caregivers to administer
15 medical **【marijuana】** cannabis to a student while the student is on
16 school grounds, aboard a school bus, or attending a school-
17 sponsored event.

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

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

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

30 (3) expressly authorize parents, guardians, and **【primary】**
31 designated caregivers of students who have been authorized for the
32 medical use of **【marijuana】** cannabis to administer medical
33 **【marijuana】** cannabis to the student while the student is on school
34 grounds, aboard a school bus, or attending a school-sponsored
35 event;

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

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

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

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

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

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

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

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

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

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

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

30 c. Medical **【marijuana】** cannabis may be administered to a
31 person receiving services for persons with developmental
32 disabilities at a facility that offers such services while the person is
33 at the facility, provided that such administration is consistent with
34 the requirements of the policy adopted pursuant to this section and
35 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 **【marijuana】** cannabis to be smoked in any place where
38 smoking is prohibited pursuant to N.J.S.2C:33-13.

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

40

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

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

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

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

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

17 (4) identify locations at the facility where medical cannabis may
18 be administered.

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

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

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

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

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

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

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

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

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

26

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

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

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

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

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

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

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

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

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

5 a. Controlled dangerous substances may only be ordered or
6 prescribed if:

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

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

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

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

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

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

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

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

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

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

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

1 f. A physician assistant may request, receive, and sign for
2 prescription drug samples and may distribute those samples to
3 patients.

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

7 (1) a supervising physician has authorized the physician
8 assistant to issue written instructions to registered qualifying
9 patients;

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

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

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

17

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

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

26 (1) initiating laboratory and other diagnostic tests;

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

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

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

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

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

42 (3) the advanced practice nurse authorizes the order by signing
43 the nurse's own name, printing the name and certification number,
44 and printing the collaborating physician's name;

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

47 (5) the charts and records of the patients treated by the advanced
48 practice nurse are reviewed by the collaborating physician and the

1 advanced practice nurse within the period of time specified by rule
2 adopted by the Commissioner of Health pursuant to section 13 of
3 P.L.1991, c.377 (C.45:11-52);

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

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

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

22 (1) the collaborating physician and advanced practice nurse
23 shall address in the joint protocols whether prior consultation with
24 the collaborating physician is required to initiate a prescription for a
25 controlled dangerous substance;

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

30 (3) the advanced practice nurse writes the prescription on a New
31 Jersey Prescription Blank pursuant to P.L.2003, c.280 (C.45:14-
32 40 et seq.), signs the nurse's own name to the prescription and prints
33 the nurse's name and certification number;

34 (4) the prescription is dated and includes the name of the patient
35 and the name, address, and telephone number of the collaborating
36 physician;

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

39 (6) the charts and records of the patients treated by the advanced
40 practice nurse are periodically reviewed by the collaborating
41 physician and the advanced practice nurse;

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

45 (8) the advanced practice nurse has completed six contact hours
46 of continuing professional education in pharmacology related to
47 controlled substances, including pharmacologic therapy, addiction
48 prevention and management, and issues concerning prescription

1 opioid drugs, including responsible prescribing practices,
2 alternatives to opioids for managing and treating pain, and the risks
3 and signs of opioid abuse, addiction, and diversion, in accordance
4 with regulations adopted by the New Jersey Board of Nursing. The
5 six contact hours shall be in addition to New Jersey Board of
6 Nursing pharmacology education requirements for advanced
7 practice nurses related to initial certification and recertification of
8 an advanced practice nurse as set forth in N.J.A.C.13:37-7.2.

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

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

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

20 g. An advanced practice nurse may authorize qualifying
21 patients for the medical use of cannabis and issue written
22 instructions for medical cannabis to registered qualifying patients,
23 subject to the following conditions:

24 (1) the collaborating physician and advanced practice nurse
25 shall address in the joint protocols whether prior consultation with
26 the collaborating physician is required to authorize a qualifying
27 patient for the medical use of cannabis or issue written instructions
28 for medical cannabis;

29 (2) the authorization for the medical use of cannabis or issuance
30 of written instructions for cannabis is in accordance with standing
31 orders or joint protocols developed in agreement between a
32 collaborating physician and the advanced practice nurse, or
33 pursuant to the specific direction of a physician;

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

37 (4) the authorization or written instruction is dated and includes
38 the name of the qualifying patient and the name, address, and
39 telephone number of the collaborating physician;

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

42 (6) the charts and records of qualifying patients treated by the
43 advanced practice nurse are periodically reviewed by the
44 collaborating physician and the advanced practice nurse;

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

- 1 (8) the advanced practice nurse complies with the requirements
2 for authorizing qualifying patients for the medical use of cannabis
3 and for issuing written instructions for medical cannabis established
4 pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and
5 P.L. , c. (C.) (pending before the Legislature as this bill).
6 (cf: P.L.2017, c.28, s.15)
7
8 38. Section 5 of P.L.2009, c.307 (C.24:6I-5) is repealed.
9
10 39. This act shall take effect immediately.