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 reported by the Senate Judiciary Committee on March 18, 2019, with amendments.
AN ACT concerning medical cannabis, revising various parts of the statutory law, and supplementing P.L.2009, c.307.

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

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

   1. This act shall be known and may be cited as the "New Jersey Jake Honig Compassionate Use Medical Marijuana Cannabis Act."

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

   2. The Legislature finds and declares that:

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

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

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

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

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

Matter underlined thus is new matter.

1 Senate floor amendments adopted December 17, 2018.
2 Senate floor amendments adopted January 31, 2019.
3 Senate floor amendments adopted March 14, 2019.
4 Senate SJU committee amendments adopted March 18, 2019.
Compassion dictates that a distinction be made between medical and non-medical uses of marijuana. Hence, the purpose of this act is to protect from arrest, prosecution, property forfeiture, and criminal and other penalties, those patients who use marijuana to alleviate suffering from debilitating medical conditions, as well as their physicians, health care practitioners, primary designated caregivers, institutional caregivers, and those who are authorized to produce marijuana for medical purposes.

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

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


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

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

1“Bona fide physician-patient relationship” means a relationship in which the physician has ongoing responsibility for the assessment, care, and treatment of a patient's qualifying medical condition.


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

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

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

"Commissioner" means the Commissioner of Health.

"Debilitating medical condition" means:

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

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

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

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

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

“Common ownership or control” means:

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

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

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

"Department" means the Department of Health.

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

(1) is at least 18 years old;

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

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

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

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

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

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

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

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

(2) has a bona fide practitioner-patient relationship with the patient; and

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

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

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

(1) is at least 18 years old;

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

(3) is authorized, within the scope of the individual’s professional duties, to possess and administer controlled dangerous substances in connection with the care and treatment of patients and residents pursuant to applicable State and federal laws;
(4) is authorized by the health care facility employing the person to assist registered qualifying patients who are patients or residents of the facility with the medical use of cannabis, including, but not limited to, obtaining medical cannabis for registered qualifying patients and assisting registered qualifying patients with the administration of medical cannabis;

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

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

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

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


"Medical marijuana cannabis alternative treatment center" or "alternative treatment center" means an organization necessary to provide registered qualifying patients with usable marijuana and related paraphernalia in accordance with the provisions of this act operate as a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant. This term shall include the organization's officers, directors, board members, and employees.

"Medical cannabis cultivator" means an organization holding a permit issued by the commission that authorizes the organization to possess and cultivate cannabis and deliver, transfer, transport,
distribute, supply, and sell medical cannabis and related supplies to
other medical cannabis cultivators and to medical cannabis
manufacturers and medical cannabis dispensaries, as well as to plant,
cultivate, grow, and harvest medical cannabis for research purposes.
A medical cannabis cultivator permit shall not authorize the permit
holder to manufacture, produce, or otherwise create medical cannabis
products, or to deliver, transfer, transport, distribute, supply, sell, or
dispense medical cannabis, medical cannabis products, paraphernalia,
or related supplies to qualifying patients, designated caregivers, or
institutional caregivers.

“Medical cannabis dispensary” means an organization issued a
permit by the commission that authorizes the organization to: purchase
or obtain medical cannabis and related supplies from medical cannabis
cultivators; purchase or obtain medical cannabis products and related
supplies from medical cannabis manufacturers; purchase or obtain
medical cannabis, medical cannabis products, and related supplies and
paraphernalia from other medical cannabis dispensaries; deliver, transfer, transport, distribute, supply, and sell medical cannabis and
medical cannabis products to other medical cannabis dispensaries
and possess, display, deliver, transfer, transport, distribute, supply,
sell, and dispense medical cannabis, medical cannabis products,
paraphernalia, and related supplies to qualifying patients, designated
caregivers, and institutional caregivers. A medical cannabis
dispensary permit shall not authorize the permit holder to cultivate
medical cannabis or to produce, manufacture, or otherwise create
medical cannabis products.

“Medical cannabis manufacturer” means an organization issued a
permit by the commission that authorizes the organization to: purchase
or obtain medical cannabis and related supplies from a medical
cannabis cultivator; purchase or obtain medical cannabis products
from another medical cannabis manufacturer; produce, manufacture,
or otherwise create medical cannabis products; and possess, deliver,
transfer, transport, distribute, supply, and sell medical cannabis
products and related supplies to other medical cannabis manufacturers
and to medical cannabis dispensaries. A medical cannabis
manufacturer permit shall not authorize the permit holder to cultivate
medical cannabis or to deliver, transfer, transport, distribute, supply,
sell, or dispense medical cannabis, medical cannabis products,
paraphernalia, or related supplies to qualifying patients, designated
caregivers, or institutional caregivers.

“Medical use of marijuana cannabis” means the acquisition,
possession, transport, or use of marijuana cannabis or paraphernalia
by a registered qualifying patient as authorized by [this act] P.L. 2009,
P.L.  , c. (C.       ) (pending before the Legislature as this bill).
"Minor" means a person who is under 18 years of age and who has not been married or previously declared by a court or an administrative agency to be emancipated.

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

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

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

"Primary caregiver" or "caregiver" means a resident of the State who:
   a. is at least 18 years old;
   b. has agreed to assist with a registered qualifying patient's medical use of marijuana, is not currently serving as primary caregiver for another qualifying patient, and is not the qualifying patient's physician;
   c. has never been convicted of possession or sale of a controlled dangerous substance, unless such conviction occurred after the effective date of this act and was for a violation of federal law related to possession or sale of cannabis that is authorized under this act;
   d. has registered with the department pursuant to section 5 of this act, and has satisfied the criminal history record background check requirement of section 5 of this act; and
   e. has been designated as primary caregiver on the qualifying patient's application or renewal for a registry identification card or in other written notification to the department.

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

"Qualifying medical condition" means seizure disorder, including epilepsy; intractable skeletal muscular spasticity; post-traumatic stress disorder; glaucoma; positive status for human immunodeficiency virus; acquired immune deficiency syndrome; cancer; amyotrophic lateral sclerosis; multiple sclerosis; muscular dystrophy; inflammatory bowel disease, including Crohn's disease; terminal illness, if the patient has a prognosis of less than 12 months of life; anxiety; migraine; Tourette's syndrome; dysmenorrhea; chronic pain; opioid use disorder; or any other medical condition or its treatment that is approved by the commission.
"Qualifying patient" or "patient" means a resident of the State who has been authorized for the medical use of cannabis by a [physician] health care practitioner pursuant to a bona fide [physician-patient] practitioner-patient relationship.

"Registry identification card" means [a document issued by the department] that identifies a person who has met the qualification requirements for, and has been registered by the commission as a registered qualifying patient [or primary], designated caregiver, or institutional caregiver. The commission shall establish appropriate means for health care practitioners, health care facilities, medical cannabis dispensaries, law enforcement, schools, facilities providing behavioral health services or services for persons with developmental disabilities, and other appropriate entities to verify an individual’s status as a registrant with the commission.

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

"Usable marijuana" means the dried leaves and flowers of marijuana, and any mixture or preparation thereof, and does not include the seeds, stems, stalks, or roots of the plant.

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

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

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

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

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

(4) the name, address, and telephone number of the patient's health care practitioner.

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

The commission shall establish a registry of institutional caregivers
and shall [issue a registry identification card, which shall be valid for
one year, to an institutional caregiver who submits] establish a means
of identifying and verifying the registration status of institutional
caregivers who are registered with the commission. Registration with
the commission shall be valid for one year. An institutional caregiver
shall be registered with the commission upon submitting [the name,
address, and telephone number of the institutional caregiver and of the
health care facility at which the individual will be serving as
institutional caregiver and a certification that meets the requirements
of subsection h. of this section. The application or renewal fee for the
institutional caregiver shall be paid by the health care facility at which
the institutional caregiver will be serving as institutional caregiver. An
institutional caregiver shall not be limited in the number of qualifying
patients for whom the institutional caregiver may serve as institutional
caregiver at one time, provided that each qualifying patient served by
the institutional caregiver is a current patient or resident at the health
care facility at which the institutional caregiver is authorized to serve
as institutional caregiver, and the number of qualifying patients served
by the institutional caregiver is commensurate with the institutional
caregiver’s ability to fully meet the treatment and related needs of each
qualifying patient and attend to the institutional caregiver’s other
professional duties at the health care facility without jeopardizing the
health or safety of any patient or resident at the facility.

b. Before [issuing a registry identification card] registering an
individual, the [department] commission shall verify the information
contained in the application or renewal form submitted pursuant to this
section. In the case of a [primary] designated or institutional
caregiver, the [department] commission shall provisionally approve
an application pending the results of a criminal history record
background check, if the caregiver otherwise meets the requirements
commission shall approve or deny an application or renewal [and
complete the registration process for successful applicants] within 30
days of receipt of the completed application or renewal [and shall
issue a registry identification card within five days of approving the
application or renewal]. The [department] commission may deny an
application or renewal only if the applicant fails to provide the
information required pursuant to this section, or if the [department]
commission determines that the information was incorrect or falsified
or does not meet the requirements of [this act] P.L.2009, c.307
Denial of an application shall be a final agency decision, subject to review by the Superior Court, Appellate Division.

c. (1) The [commissioner] executive director shall require each applicant seeking to serve as a [primary] designated or institutional caregiver to undergo a criminal history record background check; except that no criminal history record background check shall be required for an applicant seeking to serve as a designated caregiver if the applicant is an immediate family member of the patient, and no criminal history record background check shall be required for an applicant seeking to serve as an institutional caregiver if the applicant completed a criminal history record background check as a condition of professional licensure or certification. The [commissioner] executive director is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the [commissioner] executive director in a timely manner when requested pursuant to the provisions of this section.

An applicant seeking to serve as a [primary] designated or institutional caregiver who is required to complete a criminal history record background check pursuant to this section shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless the applicant has furnished [his] the applicant's written consent to that check. An applicant who is required to complete a criminal history record background check pursuant to this section who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall not be considered for inclusion in the registry as a [primary] designated or institutional caregiver or issuance of an identification card. An applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

(2) The [commissioner] executive director shall not approve an applicant seeking to serve as a [primary] designated or institutional caregiver who is required to complete a criminal history record background check pursuant to this section if the criminal history record background information of the applicant reveals a disqualifying conviction. For the purposes of this section, a disqualifying conviction shall mean a conviction of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or of any other state.
(3) Upon receipt of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the commissioner executive director shall provide written notification to the applicant of the applicant’s qualification or disqualification for serving as a primary designated or institutional caregiver.

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

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

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

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

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

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

(d) the date of the crime or offense;

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

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

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

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

d. [A registry identification card] A verification of registration issued by the commission shall contain the following information:
(1) (a) in the case of a registry identification card for a patient or designated caregiver registration, the name, address, and date of birth of the patient and each designated caregiver, if applicable; and

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

(2) the expiration date of the registry identification card registration;

(3) photo identification of the cardholder registrant; and

(4) such other information that the department commission may specify by regulation.

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

(2) A designated caregiver who has been issued a registry identification card registered by the commission shall notify the department commission of any change in the caregiver’s name or address within 10 days of such change, or the registry identification card caregiver’s registration shall be deemed null and void.

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

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

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

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

g. Applying for or receiving a registry card registration or being registered by the commission does not constitute a waiver of the qualifying patient’s patient-physician practitioner-patient privilege.

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

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

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

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

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

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

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

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

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

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

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

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

b. When authorizing a qualifying patient who is a minor for the medical use of cannabis, if the treating health care practitioner is not a pediatric specialist, the treating health care practitioner shall, prior to authorizing the patient for the medical use of cannabis, obtain written confirmation from a health care practitioner who is a pediatric specialist establishing, in that health care practitioner’s professional opinion, and following an examination of the minor patient or review of the minor patient’s medical record, that the minor patient is likely to receive therapeutic or palliative benefits from the medical use of cannabis to treat or alleviate symptoms associated with the patient’s qualifying medical condition. If the treating health care practitioner is a pediatric specialist, no additional written confirmation from any other health care practitioner shall be required as a condition of authorizing the patient for the medical use of cannabis.

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

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

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

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

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

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

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

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

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

b. An individual who is registered as a designated caregiver in another state or jurisdiction within the United States that authorizes the medical use of cannabis shall be considered a designated caregiver for the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) for a period of up to six months, provided that the individual is in possession of both [a valid registry card] proof of registration in,¹ and a valid photo identification card issued by ¹ the other state or jurisdiction. During the six month period, the individual shall be authorized to assist a registered qualifying patient with the medical use of cannabis and engage in such other conduct in connection with medical cannabis in New Jersey as is consistent with the requirements of P.L.2009, c.307 (C.24:6I-1 et al.) and the laws of the state or jurisdiction [that issued the caregiver’s registry card] in which the caregiver is registered¹, except that medical cannabis shall not be dispensed to the individual on behalf of a registered qualifying patient unless a health care practitioner licensed in New Jersey issues written instructions for the registered qualifying patient that meet the requirements of section 10 of P.L.2009, c.307 (C.24:6I-10). No individual shall be authorized to assist a registered qualifying patient with the medical use of cannabis or engage in other conduct in connection with medical cannabis in New Jersey pursuant to a medical cannabis registration from another State or jurisdiction for more than six months unless the individual registers with the commission as a designated caregiver pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4).

c. The commission shall seek to enter into reciprocity agreements with other states and jurisdictions within the United States that authorize the medical use of cannabis.
8. Section 6 of P.L.2009, c.307 (C.24:6I-6) is amended to read as follows:


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

c. [Possession of] Registration with the commission¹, or application for [registration by the commission¹, [a registry identification card]¹ shall not alone constitute probable cause to search the person or the property of the [person possessing or applying for the registry identification card] registrant or applicant¹, or otherwise subject the person or [his] the person’s property to inspection by any governmental agency.

d. The provisions of section 2 of P.L.1939, c.248 (C.26:2-82), relating to destruction of [marijuana] cannabis determined to exist by the [department] commission, shall not apply if a qualifying patient [or primary], designated caregiver, or institutional caregiver [has in his possession a registry identification card] is registered with the commission¹ and [is in possession of] no more than the maximum amount of usable [marijuana] cannabis that may be obtained in accordance with section 10 of P.L.2009, c.307 (C.24:6I-10).

e. No person shall be subject to arrest or prosecution for constructive possession, conspiracy, or any other offense for simply
being in the presence or vicinity of the medical use of [marijuana]
cannabis as authorized under P.L.2009, c.307 (C.24:6I-1 et al.)
f. No custodial parent, guardian, or person who has legal
 custody of a qualifying patient who is a minor shall be subject to
arrest or prosecution for constructive possession, conspiracy, or any
other offense for assisting the minor in the medical use of
[marijuana] cannabis as authorized under P.L.2009, c.307 (C.24:6I-
1 et al.) [or] P.L.2015, c.158 (C.18A:40-12.22 et al.) or
P.L., c. (C.) (pending before the Legislature as this bill).
g. For the purposes of medical care, including organ
transplants, a qualifying patient’s authorized use of medical
cannabis in accordance with the provisions of P.L.2009, c.307
P.L., c. (C.) (pending before the Legislature as this bill),
shall be considered equivalent to the authorized use of any other
medication used at the direction of a health care practitioner, and
shall not constitute the use of an illicit substance or otherwise
disqualify a qualifying patient from needed medical care.
h. No public or private school or institution of higher education
may refuse to enroll a person based solely on the person’s status as
a [registry identification cardholder] registrant with the
commission, unless failing to do so would result in the school or
institution losing a monetary or licensing-related benefit granted
pursuant to federal law. No public or private school or institution
of higher education shall be penalized or denied any benefit under
State law solely on the basis of enrolling a person who is [a
registry identification cardholder] registered with the commission.
i. No person shall refuse to rent, lease, or sublease any real
property or part or portion thereof, or discriminate in the terms,
conditions, or privileges of the rental or lease of any real property
or part or portion thereof or in the furnishing of facilities or services
in connection therewith, based solely on the status of the
prospective tenant as a [registry identification cardholder] registrant with the
commission, unless failing to do so would result in the person losing a monetary or licensing-related benefit
granted pursuant to federal law. No such person shall be penalized
or denied any benefit under State law solely on the basis of renting
or leasing real property to a person who is [a registry identification
cardholder] registered with the commission.
j. No person shall be denied, or subject to adverse action in
connection with, any license, certification, or permit issued
pursuant to State law solely based on the person’s status as a
[registry identification cardholder] registrant with the
commission, unless issuance or continuance of the license,
certification, or permit would result in the licensing or permitting
agency losing federal certification, federal funding, or other
benefits granted pursuant to federal law.

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

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

l. Unless failing to do so would result in the insurer or
insurance association losing a monetary or licensing-related benefit
granted pursuant to federal law, an insurer or insurance association
authorized to issue medical malpractice liability insurance in New
Jersey shall not deny coverage to a health care practitioner, increase
the amount of premiums or deductibles under the policy, or charge
any additional fees in connection with the policy, solely based on
the health care practitioner engaging in conduct authorized under
P.L.2009, c.307 (C.24:6I-10 et al.) or P.L.   , c.   (C.   ) (pending before the Legislature
as this bill), including, but not limited to,
authorizing qualifying patients for the medical use of cannabis,
issuing written instructions pursuant to section 10 of P.L.2009,
c.307 (C.24:6I-10), and consulting with patients regarding the use
of medical cannabis to treat a qualifying medical condition. No
insurer or insurance association shall be penalized or denied any
benefit under State law solely on the basis of providing medical
malpractice liability insurance to a health care practitioner who
engages in conduct authorized under P.L.2009, c.307 (C.24:6I-
1 et al.) or P.L.   , c.   (C.   ) (pending before the Legislature as
this bill).

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

a. No health care facility shall be penalized or denied any benefit under State law solely for permitting or prohibiting the handling, administration, usage, or storage of medical cannabis, provided that the facility’s policies related to medical cannabis are consistent with all other facility policies concerning medication handling, administration, usage, or storage.

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

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

9. (New section) a. It shall be unlawful to take any adverse employment action against an employee who is a registered qualifying patient based solely on the employee’s status as a ¹[registry identification cardholder] registrant with the commission.¹

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

Within three working days after receiving notice pursuant to paragraph (1) of this subsection, the employee or job applicant may submit information to the employer to explain the positive test result, or may request a confirmatory retest of the original sample at the employee’s or job applicant’s own expense. As part of an employee’s or job applicant’s explanation for the positive test result, the employee or job applicant may present an authorization for medical cannabis issued by a health care practitioner, ¹[registry identification cardholder] proof of registration with the commission, or both.

(2) Nothing in this section shall be deemed to:

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

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

c. Nothing in this section shall be deemed to:

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

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

d. No employer shall be penalized or denied any benefit under State law solely on the basis of employing a person who is ¹[registry identification cardholder] registered with the commission.
10. Section 7 of P.L.2009, c.307 (C.24:6I-7) is amended to read as follows:

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

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

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

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

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

(c) The provisions of subparagraph (a) of this paragraph shall not apply to any alternative treatment center that was issued a permit prior to the effective date of P.L., c. (pending before the Legislature as this bill), to any alternative treatment center that was issued a permit after the effective date of P.L., c. (pending before the Legislature as this bill) pursuant to an application submitted prior to the effective date of P.L., c. (pending before the Legislature as this bill), or to one of the six alternative treatment centers issued a permit pursuant to section 11 of P.L., c. (pending before the Legislature as this bill) that are expressly exempt from the provisions of subsection 1 subsection subparagraph (a) of this paragraph, which alternative treatment centers shall be deemed to concurrently hold a medical cannabis cultivator permit, a medical cannabis manufacturer permit, and a medical cannabis dispensary permit, and shall be authorized to engage in any conduct authorized pursuant to those permits in relation to the cultivation, manufacturing, and dispensing of medical cannabis. In addition, an alternative treatment center that was issued a permit prior to the effective date of
P.L. , c. (C. ) (pending before the Legislature as this bill), an
alternative treatment center that was issued a permit after the effective
date of P.L. , c. (C. ) (pending before the Legislature as this
bill) pursuant to an application submitted prior to the effective date of
P.L. , c. (C. ) (pending before the Legislature as this bill), and
the six alternative treatment center permits issued pursuant to section
11 of P.L. , c. (C. ) (pending before the Legislature as this bill)
that are expressly exempt from the provisions of subparagraph (a) of
this paragraph shall, upon the effective date of P.L. , c. (C. )
(pending before the Legislature as Senate Bill No. 2703), be deemed to
either hold a Class 3 Cannabis Wholesaler license or concurrently
hold a Class 1 Cannabis Grower license, a Class 2 Cannabis Processor
License, a Class 3 Cannabis Wholesaler license, and a Class 4
Cannabis Retailer license, plus an additional Class 4 Cannabis Retailer
license for each satellite dispensary that was approved pursuant to an application submitted prior to or within 18 months after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) subject to the requirements of subparagraph (d) of this paragraph. In no case may an alternative treatment center holding a Class 3 Cannabis Wholesaler license concurrently hold a Class 1 Cannabis Grower license, Class 2 Cannabis Processor license, or Class 4 Cannabis Retailer license; and in no case may an alternative treatment center holding a Class 1 Cannabis Grower license, a Class 2 Cannabis Processor license, a Class 4 Cannabis Retailer license, or any combination thereof, concurrently hold a Class 3 Cannabis Wholesaler license. An alternative treatment center issued an adult use cannabis license pursuant to this subsubparagraph shall be authorized to use the same premises for all activities authorized under P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C. ) (pending before the Legislature as Senate Bill No. 2703) without being required to establish or maintain any physical barriers or separations between operations related to the medical use of cannabis and operations related to adult use cannabis, provided that the alternative treatment center shall be required to certify to the commission that the alternative treatment center has sufficient quantities of medical cannabis and medical cannabis products available to meet the reasonably anticipated treatment needs of registered qualifying patients as a condition of selling engaging in activities related to the growing, producing, wholesaling, or retail sale of adult use cannabis at retail, as applicable.
(d) No entity may be issued or concurrently hold more than one medical cannabis cultivator permit, one medical cannabis manufacturer permit, or one medical cannabis dispensary permit at one time, and no medical cannabis dispensary shall be authorized to establish a satellite location on or after the effective date of P.L. , c (C. ) (pending before the Legislature as this bill), except that an alternative treatment center that was issued a permit prior to the
effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) or that was issued a permit after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) pursuant to an application submitted prior to the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be authorized to maintain any satellite dispensary that was approved pursuant to an application submitted prior to or within 18 months after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill). An alternative treatment center that was issued a permit after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) pursuant to an application submitted prior to or within 18 months after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be authorized to establish and maintain one additional satellite dispensary upon an application to and approval by the commission, which approval shall not be unreasonably withheld. The six alternative treatment centers issued permits pursuant to section 11 of P.L. , c. (C. ) (pending before the Legislature as this bill) that are expressly exempt from the provisions of subparagraph (a) of this paragraph shall be authorized to establish and maintain up to one satellite dispensary location, provided that the satellite dispensary was approved pursuant to an application submitted within 18 months after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill). (e) No entity issued a medical cannabis cultivator, medical cannabis manufacturer, or medical cannabis dispensary permit may concurrently hold a clinical registrant permit issued pursuant to section 13 of P.L. , c. (C. ) (pending before the legislature as this bill), and no entity issued a clinical registrant permit pursuant to section 13 of P.L. , c. (C. ) (pending before the Legislature as this bill) may concurrently hold a medical cannabis cultivator permit, a medical cannabis manufacturer permit, or a medical cannabis dispensary permit.

(3) The commission shall seek to ensure the availability of a sufficient number of medical cannabis cultivators, medical cannabis manufacturers, and medical cannabis dispensaries throughout the State, pursuant to need, including at least two each in the northern, central, and southern regions of the State. Medical cannabis cultivators, medical cannabis manufacturers, and medical cannabis dispensaries issued permits pursuant to this section may be nonprofit or for-profit entities.

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

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

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

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

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

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

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

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

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

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

In the event that an individual who is exempt from the criminal history record background check requirement of this section subsequently acquires an investment interest of five percent or more in the medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant, or a group that is exempt from the criminal history record background check requirement of this section subsequently acquires an investment interest of 20 percent or more in the medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant or any member of the group acquires more than a five percent interest in the total group investment interest, or the individual or group gains the authority to make controlling decisions regarding medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant operations, the individual or the members of the group, as applicable, shall notify the commission and shall complete a criminal history record background check and provide all information as may be required by the commission no later than 30 days after the date that such change occurs, or any permit issued to the individual or group shall be revoked and the individual or group shall be deemed ineligible to hold any ownership or investment interest in a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant for a period of two years, commencing from the date of revocation.

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

An applicant who is required to undergo a criminal history record background check pursuant to this section shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless the applicant has furnished the applicant’s written consent to that check. An applicant who is required to undergo a criminal history record background check pursuant to this section who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall not be considered for a permit to operate, or authorization to be employed at, an alternative treatment center, a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant. An applicant shall bear the cost for administering and processing the check.

(2) The executive director shall not approve an applicant for a permit to operate, or authorization to be employed at, an alternative treatment center, a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant if the criminal history record background information of the applicant reveals a disqualifying conviction as set forth in subsection c. of this section. If the applicant is disqualified because of a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.
(4) The Division of State Police shall promptly notify the [commissioner] executive director in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the [commissioner] executive director shall make a determination regarding the continued eligibility to operate or be a director, officer, or employee of [an alternative treatment center] ⁴, or an investor in,⁴ a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant.

(5) Notwithstanding the provisions of subsection [b.] c. of this section to the contrary, the [commissioner] executive director may offer provisional authority for an applicant to be an owner, director, officer, or employee of [an alternative treatment center] ⁴, or an investor in,⁴ a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant for a period not to exceed three months if the applicant submits to the [commissioner] executive director a sworn statement attesting that the person has not been convicted of any disqualifying conviction pursuant to this section.

(6) Notwithstanding the provisions of subsection [b.] c. of this section to the contrary, no applicant to be an owner, director, officer, or employee of [an alternative treatment center] ⁴, or an investor in,⁴ a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant shall be disqualified on the basis of any conviction disclosed by a criminal history record background check conducted pursuant to this section if the individual has affirmatively demonstrated to the [commissioner] executive director clear and convincing evidence of rehabilitation. In determining whether clear and convincing evidence of rehabilitation has been demonstrated, the following factors shall be considered:

(a) the nature and responsibility of the position which the convicted individual would hold, has held, or currently holds;
(b) the nature and seriousness of the crime or offense;
(c) the circumstances under which the crime or offense occurred;
(d) the date of the crime or offense;
(e) the age of the individual when the crime or offense was committed;
(f) whether the crime or offense was an isolated or repeated incident;
(g) any social conditions which may have contributed to the commission of the crime or offense; and
(h) any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the
recommendation of those who have had the individual under their supervision.

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

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

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

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

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

(3) Each clinical registrant shall maintain and make available
through its Internet website, if any, a standard price list that shall apply
to all medical cannabis sold by the clinical registrant to other clinical
registrants and to medical cannabis cultivators, medical cannabis
manufacturers, and medical cannabis dispensaries and to all medical
cannabis products sold by the clinical registrant to other clinical
registrants and to medical cannabis manufacturers and medical
cannabis dispensaries, which prices shall be reasonable and consistent
with the actual costs incurred by the clinical registrant in connection
with cultivating the medical cannabis or producing the medical
cannabis product. The prices charged by the clinical registrant shall
not deviate from the prices indicated on the clinical registrant’s current
price list. Any prices a clinical registrant charges to a qualifying
patient, designated caregiver, or institutional caregiver for medical
cannabis, medical cannabis products, and related supplies and
paraphernalia shall be reasonable and consistent with the actual costs
incurred by the [medical cannabis dispensary] clinical registrant in
connection with cultivating, producing, acquiring, or dispensing the
medical cannabis or medical cannabis product and related supplies and
paraphernalia. A clinical registrant may establish a written policy for
making medical cannabis available at a reduced price or without
charge to qualifying patients who have a demonstrated financial
hardship, as that term shall be defined by the commission by
regulation.

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

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

i. The (commissioner) executive director shall adopt regulations to:

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

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

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

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

j. (1) Each medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, and clinical registrant shall require the owners, directors, officers, and employees at the permitted facility to complete at least eight hours of ongoing training
(4)(a) Each medical cannabis dispensary and clinical registrant shall consider whether to make interpreter services available to the population served, including for individuals with a visual or hearing impairment. The commission shall provide assistance to any medical cannabis dispensary or clinical registrant that seeks to provide such services in locating appropriate interpreter resources. A medical cannabis dispensary or clinical registrant shall assume the cost of providing interpreter services pursuant to this subsection.

(1) A medical cannabis cultivator, medical cannabis manufacturer, or medical cannabis dispensary that seeks to sell or transfer its permit to another entity shall apply to the commission for approval of the sale or transfer. The commission shall not approve the sale or transfer of a permit until each applicant at the entity applying to purchase or receive the transfer of the permit undergoes a criminal history record background check pursuant to subsection d. of this section and the commission finds that the sale or transfer of the permit would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.). The denial of an application to sell or transfer a medical cannabis cultivator, medical cannabis manufacturer, or medical cannabis dispensary permit shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court.

(2) If a nonprofit medical cannabis cultivator, medical cannabis manufacturer, or medical cannabis dispensary proposes to sell or transfer its permit and other assets to a for-profit entity, its board of directors may proceed with the sale or transfer upon receiving approval for the sale or transfer from the commission pursuant to paragraph (1) of this subsection. In the case of a nonprofit alternative treatment center that was issued a permit prior to the effective date of P.L.2009, c.307 (C.24:6I-1 et al.) and other assets to a for-profit entity, provided that: the sale or transfer is approved by the commission; each owner, director, officer, and employee of, and investor in, the entity seeking to purchase or receive the transfer of the permit, undergoes a criminal history record background check pursuant to subsection d. of this section, provided that nothing in this subsection shall be construed to require any individual to undergo a criminal history record background check if the individual would otherwise be exempt from undergoing a criminal history record background check pursuant to subsection d. of this section, and the commission finds that the sale or transfer of the permit would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) and other assets to a for-profit entity, provided that each owner, director, officer, and employee of, and investor in, the entity seeking to purchase or receive the transfer of the permit, undergoes a criminal history record background check pursuant to subsection d. of this section, provided that nothing in this subsection shall be construed to require any individual to undergo a criminal history record background check if the individual would otherwise be exempt from undergoing a criminal history record background check pursuant to subsection d. of this section.
this section; the commission finds that the sale or transfer of the permit
would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et
al.); and no such sale or transfer shall be authorized more than one
year after the effective date of P.L. , c.  (C. ) (pending before
the Legislature as this bill). The sale or transfer of a permit pursuant
to this subsection shall not be subject to the requirements of the “New
Jersey Nonprofit Corporation Act,” N.J.S.15A:1-1 et seq., provided
that, prior to or at the time of the sale or transfer, all debts and
obligations of the nonprofit entity are either paid in full or assumed by
the for-profit entity purchasing or acquiring the permit, or a reserve
fund is established for the purpose of paying in full the debts and
obligations of the nonprofit entity , and the for-profit entity pays the
full value of all assets held by the nonprofit entity, as reflected on the
nonprofit entity’s balance sheet, in addition to the agreed-upon [and
commission-approved] price for the sale or transfer of the entity’s
alternative treatment center permit . Until such time as the members
of the Cannabis Regulatory Commission are appointed and the
commission first organizes, the Department of Health shall have full
authority to approve a sale or transfer pursuant to this subsection. No
other entity holding a permit issued pursuant to this section or pursuant
to section 13 of P.L. , c. (C. ) (pending before the Legislature
as this bill) shall be authorized to sell or transfer such permit to any
other entity at any time.

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

m. In the event that a medical cannabis cultivator, medical
cannabis manufacturer, medical cannabis dispensary, or clinical
registrant fails to comply with any requirements set forth in P.L.2009,
c.307 (C.24:6I-1 et al.), P.L. , c.  (C. ) (pending before the
Legislature as this bill), or any related law or regulation, the
commission may invoke penalties or take administrative action against
the medical cannabis cultivator, medical cannabis manufacturer,
medical cannabis dispensary, or clinical registrant and its employees,
officers, investors, directors, or governing board, including, but not
limited to, assessing fines, referring matters to another State agency,
and suspending or terminating any permit held by the medical
cannabis cultivator, medical cannabis manufacturer, medical cannabis
11. (New section) The commission shall, no later than 90 days after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) or upon adoption of rules and regulations as provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-16), whichever occurs first, begin accepting and processing applications for new medical cannabis cultivator, medical cannabis manufacturer, and medical cannabis dispensary permits. Notwithstanding the provisions of subparagraph (a) of paragraph (2) of subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7), the first six alternative treatment center permits issued by the commission pursuant to an application submitted on or after the effective date of P.L. , c. (C. ) (pending before the Legislature as this bill) shall be deemed to concurrently hold a medical cannabis cultivator permit, a medical cannabis manufacturer permit, and a medical cannabis dispensary permit. Any permits issued by the commission thereafter shall be subject to the provisions of subparagraph (a) of paragraph (2) of subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7). The commission may establish nonrefundable application fees for permit applications and permit fees for successful applicants.

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

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

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

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

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

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

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

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

(a) State-authorized manufacture, production, and creation of cannabis products using appropriate extraction methods, including intended use and sourcing of extraction equipment and associated solvents or intended methods and equipment for non-solvent extraction;
(b) pharmaceutical manufacturing, good manufacturing practices, and good laboratory practices;
(c) quality control and quality assurance;
(d) recall plans;
(e) packaging and labeling;
(f) inventory control and tracking software or systems for the production of medical cannabis;
(g) analytical chemistry and testing of medical cannabis and medical cannabis products and formulations;
(h) water management practices;
(i) odor mitigation practices;
(j) onsite and offsite recordkeeping;
(k) a list of product formulations or products proposed to be manufactured with estimated cannabinoid profiles, if known, including varieties with high cannabidiol content;
(l) intended use and sourcing of all non-cannabis ingredients used in the manufacture, production, and creation of cannabis products, including methods to verify or ensure the safety and integrity of those ingredients and their potential to be or contain allergens;
(m) waste disposal plans; and
(n) compliance with applicable laws and regulations.

(3) In the case of an applicant for a medical cannabis dispensary permit, the operating plan summary shall include a written description concerning the applicant’s qualifications for, experience in, and knowledge of each of the following topics:

(a) State-authorized dispensation of medical cannabis to qualifying patients;
(b) healthcare, medicine, and treatment of patients with qualifying medical conditions;
(c) medical cannabis product evaluation procedures;
(d) recall plans;
(e) packaging and labeling;
(f) inventory control and point-of-sale software or systems for the sale of medical cannabis;

(g) patient counseling procedures;

(h) the routes of administration, strains, varieties, and cannabinoid profiles of medical cannabis and medical cannabis products;

(i) odor mitigation practices;

(j) onsite and offsite recordkeeping;

(k) compliance with State and federal patient privacy rules;

(l) waste disposal plans; and

(m) compliance with applicable laws and regulations.

d. The criteria to be developed by the commission pursuant to subsection b. of this section shall include, in addition to the criteria set forth in subsections c. and e. of this section and any other criteria developed by the commission, an analysis of the following factors, if applicable:

(1) The applicant’s environmental impact plan.

(2) A summary of the applicant’s safety and security plans and procedures, which shall include descriptions of the following:

(a) plans for the use of security personnel, including contractors;

(b) the experience or qualifications of security personnel and proposed contractors;

(c) security and surveillance features, including descriptions of any alarm systems, video surveillance systems, and access and visitor management systems, along with drawings identifying the proposed locations for surveillance cameras and other security features;

(d) plans for the storage of medical cannabis and medical cannabis products, including any safes, vaults, and climate control systems that will be utilized for this purpose;

(e) a diversion prevention plan;

(f) an emergency management plan;

(g) procedures for screening, monitoring, and performing criminal history record background checks of employees;

(h) cybersecurity procedures, including, in the case of an applicant for a medical cannabis dispensary permit, procedures for collecting, processing, and storing patient data, and the applicant’s familiarity with State and federal privacy laws;

(i) workplace safety plans and the applicant’s familiarity with federal Occupational Safety and Health Administration regulations;

(j) the applicant’s history of workers’ compensation claims and safety assessments;

(k) procedures for reporting adverse events; and

(l) a sanitation practices plan.

(3) A summary of the applicant’s business experience, including the following, if applicable:
(a) the applicant’s experience operating businesses in highly-
regulated industries;
(b) the applicant’s experience in operating alternative treatment
centers and related medical cannabis production and dispensation
entities under the laws of New Jersey or any other state or
jurisdiction within the United States; and
(c) the applicant’s plan to comply with and mitigate the effects
of 26 U.S.C. s.280E on cannabis businesses, and for evidence that
the applicant is not in arrears with respect to any tax obligation to
the State.

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

(4) A description of the proposed location for the applicant’s
site, including the following, if applicable:
(a) the proposed location, the surrounding area, and the
suitability or advantages of the proposed location, along with a
floor plan and optional renderings or architectural or engineering
plans;
(b) the submission of zoning approvals for the proposed
location, which shall consist of a letter or affidavit from appropriate
municipal officials that the location will conform to municipal
zoning requirements allowing for such activities related to the
cultivation, manufacturing, or dispensing of medical cannabis,
cannabis products, and related supplies as will be conducted at the
proposed facility; and
(c) the submission of proof of local support for the suitability of
the location, which may be demonstrated by a resolution adopted by
the municipality’s governing body indicating that the intended
location is appropriately located or otherwise suitable for such
activities related to the cultivation, manufacturing, or dispensing of
medical cannabis, cannabis products, and related supplies as will be
conducted at the proposed facility.

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

(5) A community impact, social responsibility, and research
statement, which may include, but shall not be limited to, the
following:
(a) a community impact plan summarizing how the applicant
intends to have a positive impact on the community in which the
proposed entity is to be located, which shall include an economic
impact plan, a description of outreach activities, and any financial
assistance or discount plans the applicant will provide to qualifying
patients and designated caregivers;
(b) a written description of the applicant’s record of social
responsibility, philanthropy, and ties to the proposed host
community;
(c) a written description of any research the applicant has
conducted on the medical efficacy or adverse effects of cannabis
use and the applicant’s participation in or support of cannabis-
related research and educational activities; and
(d) a written plan describing any research and development
regarding the medical efficacy or adverse effects of cannabis, and
any cannabis-related educational and outreach activities, which the
applicant intends to conduct if issued a permit by the commission.

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

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

(7) A business and financial plan, which may include, but shall
not be limited to, the following:
(a) an executive summary of the applicant’s business plan;
(b) a demonstration of the applicant’s financial ability to
implement its business plan, which may include, but shall not be
limited to, bank statements, business and individual financial
statements, net worth statements, and debt and equity financing
statements; and
(c) a description of the applicant’s experience complying with
guidance pertaining to cannabis issued by the Financial Crimes
Enforcement Network under 31 U.S.C. s.5311 et seq., the federal
“Bank Secrecy Act”, which may be demonstrated by submitting
letters regarding the applicant’s banking history from banks or
credit unions that certify they are aware of the business activities of
the applicant, or entities with common ownership or control of the
applicant’s organization, in any state where the applicant has
operated a business related to medical cannabis. For the purposes
of this subparagraph, the commission shall consider only bank
references involving accounts in the name of the applicant or of an
entity with common ownership or control of the applicant’s
organization. An applicant who does not submit the information
described in this subparagraph shall not be disqualified from
consideration.
(8) Whether any of the applicant’s majority or controlling
owners were previously approved by the commission to serve as an
officer, director, principal, or key employee of an alternative
treatment center, provided any such individual served in that
capacity at the alternative treatment center for six or more months;
(9) Whether the applicant can demonstrate that its governance
structure includes the involvement of a school of medicine or
osteopathic medicine licensed and accredited in the United States,
or a general acute care hospital, ambulatory care facility, adult day
care services program, or pharmacy licensed in New Jersey,
provided that:
(a) the school, hospital, facility, or pharmacy has conducted or
participated in research approved by an institutional review board
related to cannabis involving the use of human subjects, except in
the case of an accredited school of medicine or osteopathic
medicine that is located and licensed in New Jersey;
(b) the school, hospital, facility, or pharmacy holds a profit
share or ownership interest in the applicant’s organization of 10
percent or more, except in the case of an accredited school of
medicine or osteopathic medicine that is located and licensed in
New Jersey; and
(c) the school, hospital, facility, or pharmacy participates in
major decision-making activities within the applicant’s
organization, which may be demonstrated by representation on the
board of directors of the applicant’s organization.
(10) The proposed composition of the applicant’s medical
advisory board established pursuant to section 15 of P.L.
c. (C. ) (pending before the Legislature as this bill), if any.
(11) Any other information the commission deems relevant in
determining whether to grant a permit to the applicant.
e. In addition to the information to be submitted pursuant to subsections c. and d. of this section, the commission shall require all permit applicants, other than applicants issued a conditional license, to submit an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement with such bona fide labor organization. The maintenance of a labor peace agreement with a bona fide labor organization shall be an ongoing material condition of maintaining a medical cannabis cultivator, medical cannabis manufacturer, or medical cannabis dispensary permit. The submission of an attestation and maintenance of a labor peace agreement with a bona fide labor organization by an applicant issued a conditional permit pursuant to section 11 of P.L. , c. (C.) (pending before the Legislature as this bill) shall be a requirement for final approval for a permit; failure to enter into a collective bargaining agreement within 200 days of the opening of a medical cannabis cultivator, medical cannabis manufacturer, or medical cannabis dispensary shall result in the suspension or revocation of such permit or conditional permit. In reviewing initial permit applications, the commission shall give priority to the following:

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

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

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

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

f. In reviewing an initial permit application, unless the information is otherwise solicited by the commission in a specific application question, the commission’s evaluation of the application shall be limited to the experience and qualifications of the applicant’s organization, including any entities with common ownership or control of the applicant’s organization, controlling owners or interest holders in the applicant’s organization, and the officers, directors, and current full-time existing employees of the applicant’s organization. Responses pertaining to consultants, independent contractors, applicants who are exempt from the criminal history record background check requirements of section 7 of P.L.2009, c.307 (C.24:6I-7), and prospective or part-time employees of the entity shall not be considered. Each applicant shall certify as to the status of the individuals and entities included in the application.
g. The commission shall develop policies and procedures to promote and encourage full participation in the medical cannabis industry by individuals from communities that have historically experienced disproportionate harm under the State’s cannabis prohibition and enforcement laws, and to have a positive effect on those communities. The commission shall conduct a disparity study to determine whether race-based measures should be considered when issuing permits pursuant to this section, and shall require that at least [25] 30% percent of the total number of new medical cannabis cultivator permits, medical cannabis manufacturer permits, and medical cannabis dispensary permits issued on or after the effective date of P.L. c. (pending before the Legislature as this bill) are issued to a qualified applicant that as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

d. A clinical registrant issued a permit pursuant to this section
shall be authorized to engage in all conduct involving the cultivation,
processing, and dispensing of medical cannabis as is authorized for an
entity holding medical cannabis cultivator, medical cannabis
manufacturer, and medical cannabis dispensary permits pursuant to
before the Legislature as this bill), including dispensing medical
cannabis and medical cannabis products to qualifying patients and
designated and institutional caregivers. The clinical registrant shall
additionally be authorized to engage in clinical research involving
medical cannabis using qualifying patients who consent to being part
of such research, subject to any restrictions established by the
commission.
e. A clinical registrant issued a permit pursuant to this section may apply to the commission for a Class 3 Cannabis Wholesaler license or for a Class 1 Cannabis Grower license, a Class 2 Cannabis Processor license, a Class 3 Cannabis Wholesaler license, and a Class 4 Cannabis Retailer license, and shall be authorized to concurrently hold one of each license type and engage in any activities authorized pursuant to any such license issued, provided that:

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

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

(2) A clinical registrant may conduct authorized activities related to medical cannabis and, if applicable, adult use cannabis, at more than one physical location, provided that each location is approved by the commission and is in the same region in which the academic medical center with which the clinical registrant has a contract is located.

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

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

g. A clinical registrant permit shall not be sold or transferred to
any other entity unless the commission finds that the sale or transfer
of the permit is necessary to continue essential clinical research or the
commission finds that the sale or transfer is otherwise consistent with
) (pending before the Legislature as this bill). No sale or transfer of a
clinical registrant permit shall be approved until each applicant at the
entity applying to purchase or receive the transfer of the permit
undergoes a criminal history record background check pursuant to
subsection d. of section 7 of P.L.2009, c.307 (C.24:6I-7)\textsuperscript{4}.

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

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

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

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

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

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

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

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

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

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

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

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

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

16. (New section) a. (1) An organization issued a permit to
operate a medical cannabis cultivator, medical cannabis
manufacturer, medical cannabis dispensary, or clinical registrant
shall not be eligible for a State or local economic incentive.
(2) The issuance of a permit to operate a medical cannabis
cultivator, medical cannabis manufacturer, cannabis dispensary, or
clinical registrant to an organization that has been awarded a State
or local economic incentive shall invalidate the right of the
organization to benefit from the economic incentive as of the date
of issuance of the permit, except that an academic medical center
that has entered into a contractual relationship with a clinical
registrant shall not have any right to benefit from an economic
incentive invalidated pursuant to this paragraph on the basis of that
contractual relationship.

b. (1) A property owner, developer, or operator of a project to
be used, in whole or in part, as a medical cannabis cultivator,
medical cannabis manufacturer, medical cannabis dispensary, or
clinical registrant shall not be eligible for a State or local economic
incentive during the period of time that the economic incentive is in
effect.
(2) The issuance of a permit to operate a medical cannabis
cultivator, medical cannabis manufacturer, medical cannabis
dispensary, or clinical registrant at a location that is the subject of a
State or local economic incentive shall invalidate the right of a
property owner, developer, or operator to benefit from the economic
incentive as of the date of issuance of the permit, except that an
academic medical center that has entered into a contractual
relationship with a clinical registrant shall not have any right to
benefit from an economic incentive invalidated pursuant to this
paragraph on the basis of that contractual relationship.

c. As used in this section:
"Business" means any non-governmental person, association,
for-profit or non-profit corporation, joint venture, limited liability
company, partnership, sole proprietorship, or other form of business organization or entity.

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

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

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

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


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

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

A person who commits an act as provided in this section shall be subject to such penalties as are provided by law.
(cf: P.L.2009, c.307, c.8)

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

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

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

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

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

(3) The [physician] health care practitioner has determined that providing the patient with multiple instructions in this manner does not create an undue risk of diversion or abuse.

c. A registered qualifying patient or [his primary] the patient’s designated caregiver, or an institutional caregiver acting on behalf of a qualifying patient, shall present verification of the patient’s or caregiver’s [registry identification card] registration with the commission, as applicable, and these written instructions to [the alternative treatment center] any medical cannabis dispensary or clinical registrant, which shall verify and log the documentation presented. An institutional caregiver shall additionally present an authorization executed by the patient certifying that the institutional caregiver is authorized to obtain medical cannabis on behalf of the patient. A [physician] health care practitioner may provide a copy of a written instruction by electronic or other means, as determined by the [commissioner] executive director, directly to [an alternative treatment center] a medical cannabis dispensary or a clinical registrant on behalf of a registered qualifying patient. The dispensation of [marijuana] medical cannabis pursuant to any written instructions shall occur within one month of the date that the instructions were written or become eligible for dispensing, whichever is later, or the instructions are void.

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

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

f. (1) Except as provided in paragraph (2) of this subsection, the maximum amount of usable cannabis that a patient may be dispensed, in weight, in a 30-day period, shall be:
   (a) until January 1, 2019, two ounces in dried form or the equivalent amount in any other form;
   (b) on or after January 1, 2019 and continuing until July 1, 2019, two and one-half ounces in dried form or the equivalent amount in any other form; and
   (c) on or after July 1, 2019, three ounces in dried form or the equivalent amount in any other form.
   (2) The monthly limits set forth in paragraph (1) of this subsection shall not apply to patients who are terminally ill or who are currently receiving hospice care through a licensed hospice, which patients may be dispensed an unlimited amount of medical cannabis. Qualifying patients who are not receiving hospice care or who are not terminally ill may petition the commission, on a form and in a manner as the commission shall require by regulation, for an exemption from the monthly limits set forth in paragraph (1) of this paragraph, which petition the commission shall approve if the commission finds that granting the exemption is necessary to meet the patient’s treatment needs and is consistent with the provisions of P.L.2009, c.307 (C.24:6I-7).

g. The executive director shall establish, by regulation, curricula for health care practitioners and for staff at medical cannabis dispensaries and clinical registrants:
   (1) The curriculum for health care practitioners shall be designed to assist practitioners in counseling patients with regard to the quantity, dosing, and administration of medical cannabis as shall be appropriate to treat the patient’s qualifying medical condition. Health care practitioners shall complete the curriculum as a condition of authorizing patients for the medical use of cannabis; and
   (2) The curriculum for employees of medical cannabis dispensaries and clinical registrants shall be designed to assist the employees in counseling patients with regard to determining the strain and form of medical cannabis that is appropriate to treat the patient’s qualifying medical condition. Employees of medical cannabis dispensaries and clinical registrants shall be required to complete the curriculum as a condition of registration with the commission. Completion of the curriculum may constitute part of the annual training required pursuant to paragraph (1) of subsection i. of section 7 of P.L.2009, c.307 (C.24:6I-7).

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

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

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

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

Any revenue collected pursuant to a tax imposed on the sale of medical cannabis under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.), shall be exclusively appropriated to programs for the treatment of mental health and substance use disorders. (cf: P.L.2009, c.307, s.10)

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

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

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

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

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

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

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

20. Section 14 of P.L.2009, c.307 (C.24:6I-12) is amended to read as follows:
14. a. The commissioner, or after the effective date of
P.L. , c. (C. ) (pending before the Legislature as this bill), the
executive director, shall report to the Governor, and to the
(1) no later than one year after the effective date of [this act]
P.L.2009, c.307 (C.24:6I-1 et al.), on the actions taken to
implement the provisions of [this act] P.L.2009, c.307 (C.24:6I-
1 et al.); and
(2) annually thereafter on the number of applications for
registry identification cards registration with the commission, the
number of qualifying patients registered, the number of
primary designated and institutional caregivers registered, the
nature of the debilitating qualifying medical conditions of the
patients, the number of registry identification cards registrations revoked, the number of alternative treatment centers medical cannabis cultivator, medical cannabis manufacturer, and medical cannabis dispensary permits issued and revoked, the number and type of integrated curricula approved, established, and maintained in connection with an IC permit, the number of testing laboratories licensed, the number of clinical registrant permits issued and the nature of the clinical research conducted by each clinical registrant, any incidents of diversion of medical cannabis, information concerning racial, ethnic, and gender diversity in the individuals issued and currently holding permits issued by the commission, statistics concerning arrests for drug offenses throughout the State and in areas where medical cannabis dispensaries are located, including information concerning racial disparities in arrest rates for drug offenses generally and cannabis offenses in particular, and the number of physicians providing certifications for health care practitioners authorizing patients for the medical use of cannabis, including the types of license or certification held by those practitioners.
b. The reports shall not contain any identifying information of
patients, caregivers, or physicians health care practitioners.
c. Within two years after the effective date of [this act]
P.L.2009, c.307 (C.24:6I-1 et al.) and every two years thereafter,
the commissioner or, after the effective date of
P.L. , c. (C. ) (pending before the Legislature as this bill),
the executive director, shall: evaluate whether there are sufficient
numbers of alternative treatment centers medical cannabis
cultivators, medical cannabis manufacturers, medical cannabis
dispensaries, and clinical registrants to meet the needs of registered
qualifying patients throughout the State; evaluate whether the
maximum amount of medical marijuana cannabis allowed
pursuant to [this act] P.L.2009, c.307 (C.24:6I-1 et al.) is sufficient
to meet the medical needs of qualifying patients; and determine
whether any alternative treatment center medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, or clinical registrant has charged excessive prices [for marijuana] in connection with medical cannabis [that the center dispensed].

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

(cf: P.L.2009, c.307, s.14)

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

15. a. The [Department of Health] Cannabis Regulatory Commission is authorized to exchange fingerprint data with, and receive information from, the Division of State Police in the Department of Law and Public Safety and the Federal Bureau of Investigation for use in reviewing applications for individuals [seeking] who are required to complete a criminal history record background check in connection with applications to serve as [primary] designated caregivers or institutional caregivers pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4), for licenses to operate as, or to be a director, officer, or employee of, medical cannabis testing laboratories pursuant to section 25 of P.L. , c. (C. ) (pending before the Legislature as this bill), for permits to operate as, or to be a director, officer, or employee of, [alternative treatment centers] or an investor in, medical cannabis cultivators, medical cannabis manufacturers, and medical cannabis dispensaries pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7).

b. The Division of State Police shall promptly notify the [Department of Health] Cannabis Regulatory Commission in the event an applicant seeking to serve as a [primary] designated or institutional caregiver, an applicant for a license to operate as, or to be a director, officer, or employee of, a medical cannabis testing laboratory, an applicant for a license to operate as, or to be a director, officer, or employee of, [an alternative treatment center] or an investor in, a medical cannabis manufacturer, or medical cannabis dispensary, who was the subject of a criminal history record background check conducted pursuant
to subsection a. of this section, is convicted of a crime involving
possession or sale of a controlled dangerous substance.
(cf: P.L.2012, c.17, s.91)

22. Section 16 of P.L.2009, c.307 (C.24:6I-14) is amended to
read as follows:
(pending before the Legislature as this bill) shall be construed to
require a government medical assistance program or private health
insurer to reimburse a person for costs associated with the medical
use of [marijuana, or an employer to accommodate the medical use
of marijuana in any workplace] cannabis, or to restrict or otherwise
affect the distribution, sale, prescribing, and dispensing of any
product that has been approved for marketing as a prescription drug
or device by the federal Food and Drug Administration.
(cf: P.L.2009, c.307, s.16)

23. Section 18 of P.L.2009, c.307 (C.24:6I-16) is amended to
read as follows:
18. a. Pursuant to the "Administrative Procedure Act,"
P.L.1968, c.410 (C.52:14B-1 et seq.), the commissioner or, after the
effective date of P.L. , c. (C. ) (pending before the
Legislature as this bill), the executive director, shall promulgate
rules and regulations to effectuate the purposes of [this act] P.L.2009, c.307 (C.24:6I-1 et al.), in consultation with the
Department of Law and Public Safety.
b. Notwithstanding any provision of P.L.1968, c.410
(C.52:14B-1 et seq.) to the contrary, the commissioner shall adopt,
immediately upon filing with the Office of Administrative Law and
no later than the 90th day after the effective date of [this act] P.L.2009, c.307 (C.24:6I-1 et al.), such regulations as the
commissioner deems necessary to implement the provisions of [this
pursuant to this subsection shall be effective until the adoption of
rules and regulations pursuant to subsection a. of this section and
may be amended, adopted, or readopted by the commissioner in
accordance with the requirements of P.L.1968, c.410 (C.52:14B-1
et seq.).
c. No later than 90 days after the effective date of
P.L. , c. (C. ) (pending before the Legislature as this bill),
the executive director shall promulgate rules and regulations to
effectuate the purposes of P.L. , c. (C. ) (pending before the
Legislature as this bill). Rules and regulations adopted pursuant to
this subsection shall, at a minimum:
(1) Specify the number of new medical cannabis cultivator,
medical cannabis manufacturer, and medical cannabis dispensary
permits the commission will issue in the first year next following
the effective date of P.L. , c. (C. ) (pending before the
Legislature as this bill); and

(2) Establish recommended dosage guidelines for medical

cannabis in each form available to qualifying patients that are
equivalent to one ounce of medical cannabis in dried form. The
executive director shall periodically review and update the dosage
guidelines as appropriate, including to establish dosage guidelines
for new forms of medical cannabis that become available.
(cf: P.L.2009, c.307, s.18)

24. (New section) a. Each batch of medical cannabis cultivated
by a medical cannabis cultivator or a clinical registrant and each
batch of a medical cannabis product produced by a medical

cannabis manufacturer or a clinical registrant shall be tested in
accordance with the requirements of section 26 of
P.L. , c. (C. ) (pending before the Legislature as this bill) by
a laboratory licensed pursuant to section 25 of P.L. , c. (C. )
(pending before the Legislature as this bill). The laboratory
performing the testing shall produce a written report detailing the
results of the testing, a summary of which shall be included in any
packaging materials for medical cannabis and medical cannabis
products dispensed to qualifying patients and their designated and
institutional caregivers. The laboratory may charge a reasonable
fee for any test performed pursuant to this section.

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

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

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

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

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

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

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

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

(3) Upon receipt of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the executive director shall provide written notification to the applicant of the applicant’s qualification for or disqualification for a permit to operate or be a director, officer, or employee of a medical cannabis testing laboratory.
If the applicant is disqualified because of a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

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

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

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

(a) the nature and responsibility of the position which the convicted individual would hold, has held, or currently holds;
(b) the nature and seriousness of the crime or offense;
(c) the circumstances under which the crime or offense occurred;
(d) the date of the crime or offense;
(e) the age of the individual when the crime or offense was committed;
(f) whether the crime or offense was an isolated or repeated incident;
(g) any social conditions which may have contributed to the commission of the crime or offense; and
(h) any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of those who have had the individual under their supervision.
26. (New section) a. The commission shall establish, by regulation, standardized requirements and procedures for testing medical cannabis and medical cannabis products.

b. Any test performed on medical cannabis or on a medical cannabis product shall include \(^3\) liquid chromatography analysis to determine chemical composition and potency, and \(^3\) screening for each of the following:

1. microbial contamination \(^3\) by biologic contaminants;
2. foreign material \(^3\);
3. residual pesticides \(^3\); and
4. other agricultural residue and residual solvents \(^3\); and
5. heavy metals.\(^3\)

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

d. Equipment used by a licensed laboratory for testing purposes shall be as a condition of licensure, each laboratory shall certify its intention to seek third party accreditation in accordance with ISO 17025 standards in order to ensure equipment is routinely inspected, calibrated, and maintained in accordance with national standards or, if national standards are not available, with the manufacturer’s specifications. Calibration procedures shall include specific directions and limits for accuracy and precision, and provisions for remedial action when these limits are not met. Each licensed laboratory shall maintain records of all inspection, calibration, and maintenance activities, which shall be made available to the commission upon request until such time as the commission issues its own standards or confirms the use of ISO 17025.

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

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

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

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

30. N.J.S.2C:35-18 is amended to read as follows:
2C:35-18. Exemption; Burden of Proof. a. If conduct is
authorized by the provisions of P.L.1970, c.226 (C.24:21-1 et seq.),
12.22 et al.), or P.L. , c. (C. ) (pending before the
Legislature as this bill), that authorization shall, subject to the
provisions of this section, constitute an exemption from criminal
liability under this chapter or chapter 36, and the absence of such
authorization shall not be construed to be an element of any offense
in this chapter or chapter 36. It is an affirmative defense to any
criminal action arising under this chapter or chapter 36 that the
defendant is the authorized holder of an appropriate registration,
permit, or order form or is otherwise exempted or excepted from
criminal liability by virtue of any provision of P.L.1970, c.226
(pending before the Legislature as this bill). The affirmative defense established herein shall be proved by the defendant by a preponderance of the evidence. It shall not be necessary for the State to negate any exemption set forth in this act or in any provision of Title 24 of the Revised Statutes in any complaint, information, indictment, or other pleading or in any trial, hearing, or other proceeding under this act.

b. No liability shall be imposed by virtue of this chapter or chapter 36 upon any duly authorized State officer, engaged in the enforcement of any law or municipal ordinance relating to controlled dangerous substances or controlled substance analogs.

(cf: P.L.2015, c.158, s.3)

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

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

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

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

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

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

   (4) identify locations on school grounds where medical marijuana cannabis may be administered; and

   (5) prohibit the administration of medical marijuana cannabis to a student by smoking or other form of inhalation while the student is on school grounds, aboard a school bus, or attending a school-sponsored event.
c. Medical [marijuana] cannabis may be administered to a student while the student is on school grounds, aboard a school bus, or attending school-sponsored events, provided that such administration is consistent with the requirements of the policy adopted pursuant to this section.

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

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

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

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

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

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

(3) expressly authorize parents, guardians, and [primary] designated caregivers to administer medical [marijuana] cannabis to the person receiving services for persons with developmental disabilities while the person is at the facility; and

(4) identify locations at the facility where medical [marijuana] cannabis may be administered.

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

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

(cf: P.L.2015, c.158, s.2)
33. (New section) a. The chief administrator of a facility that offers behavioral health care services shall develop a policy authorizing a parent, guardian, or designated caregiver authorized to assist a qualifying patient with the use of medical cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) to administer medical cannabis to a person who is receiving behavioral health care services at the facility.

b. A policy adopted pursuant to subsection a. of this section shall, at a minimum:
   (1) require the person receiving behavioral health care services to be a qualifying patient authorized for the use of medical cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), and that the parent, guardian, or designated caregiver be authorized to assist the person with the medical use of cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.);
   (2) establish protocols for verifying the registration status and ongoing authorization pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) concerning the medical use of cannabis for the person and the parent, guardian, or designated caregiver;
   (3) expressly authorize parents, guardians, and designated caregivers to administer medical cannabis to the person receiving behavioral health care services while the person is at the facility; and
   (4) identify locations at the facility where medical cannabis may be administered.

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

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

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

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

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

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

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

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

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

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

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

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

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

(4) Assisting a physician in an inpatient setting by conducting patient rounds, recording patient progress notes, determining and
implementing therapeutic plans jointly with the supervising physician, and compiling and recording pertinent narrative case summaries;
(5) Assisting a physician in the delivery of services to patients requiring continuing care in a private home, nursing home, extended care facility, or other setting, including the review and monitoring of treatment and therapy plans; and
(6) Referring patients to, and promoting their awareness of, health care facilities and other appropriate agencies and resources in the community.

(7) (Deleted by amendment, P.L.2015, c.224)
b. A physician assistant may perform the following procedures only when directed, ordered, or prescribed by the supervising physician, or when performance of the procedure is delegated to the physician assistant by the supervising physician as authorized under subsection d. of this section:
(1) Performing non-invasive laboratory procedures and related studies or assisting duly licensed personnel in the performance of invasive laboratory procedures and related studies;
(2) Giving injections, administering medications, and requesting diagnostic studies;
(3) Suturing and caring for facial wounds, traumatic wounds requiring suturing in layers, and infected wounds;
(4) Writing prescriptions or ordering medications in an inpatient or outpatient setting in accordance with section 10 of P.L.1991, c.378 (C.45:9-27.19); and
(5) Prescribing the use of patient restraints; and
(6) Authorizing qualifying patients for the medical use of cannabis and issuing written instructions for medical cannabis to registered qualifying patients pursuant to P.L.2009, c.307 (C.24:6I-1 et al.).
c. A physician assistant may assist a supervising surgeon in the operating room when a qualified assistant physician is not required by the board and a second assistant is deemed necessary by the supervising surgeon.
d. A physician assistant may perform medical services beyond those explicitly authorized in this section, when such services are delegated by a supervising physician with whom the physician assistant has signed a delegation agreement pursuant to section 8 of P.L.1991, c.378 (C.45:9-27.17). The procedures delegated to a physician assistant shall be limited to those customary to the supervising physician's specialty and within the supervising physician's and the physician assistant's competence and training.
e. Notwithstanding subsection d. of this section, a physician assistant shall not be authorized to measure the powers or range of human vision, determine the accommodation and refractive states of the human eye, or fit, prescribe, or adapt lenses, prisms, or frames for the aid thereof. Nothing in this subsection shall be construed to
prohibit a physician assistant from performing a routine visual
screening. (cf: P.L.2015, c.224, s.7)

36. Section 10 of P.L.1991, c.378 (C.45:9-27.19) is amended to
read as follows:
10. A physician assistant may order, prescribe, dispense, and
administer medications and medical devices and issue written
instructions to registered qualifying patients for medical cannabis to
the extent delegated by a supervising physician.

a. Controlled dangerous substances may only be ordered or
prescribed if:
(1) a supervising physician has authorized a physician assistant
to order or prescribe Schedule II, III, IV, or V controlled dangerous
substances in order to:
(a) continue or reissue an order or prescription for a controlled
dangerous substance issued by the supervising physician;
(b) otherwise adjust the dosage of an order or prescription for a
controlled dangerous substance originally ordered or prescribed by
the supervising physician, provided there is prior consultation with
the supervising physician;
(c) initiate an order or prescription for a controlled dangerous
substance for a patient, provided there is prior consultation with the
supervising physician if the order or prescription is not pursuant to
subparagraph (d) of this paragraph; or
(d) initiate an order or prescription for a controlled dangerous
substance as part of a treatment plan for a patient with a terminal
illness, which for the purposes of this subparagraph means a
medical condition that results in a patient’s life expectancy being 12
months or less as determined by the supervising physician;
(2) the physician assistant has registered with, and obtained
authorization to order or prescribe controlled dangerous substances
from, the federal Drug Enforcement Administration and any other
appropriate State and federal agencies; and
(3) the physician assistant complies with all requirements which
the board shall establish by regulation for the ordering, prescription,
or administration of controlled dangerous substances, all applicable
educational program requirements, and continuing professional
education programs approved pursuant to section 16 of P.L.1991,
c.378 (C.45:9-27.25).

b. (Deleted by amendment, P.L.2015, c.224)
c. (Deleted by amendment, P.L.2015, c.224)
d. In the case of an order or prescription for a controlled
dangerous substance or written instructions for medical cannabis,
the physician assistant shall print on the order or prescription or the
written instructions the physician assistant’s Drug Enforcement
Administration registration number.
e. The dispensing of medication or a medical device by a physician assistant shall comply with relevant federal and State regulations, and shall occur only if: (1) pharmacy services are not reasonably available; (2) it is in the best interest of the patient; or (3) the physician assistant is rendering emergency medical assistance.

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

g. A physician assistant may issue written instructions to a registered qualifying patient for medical cannabis pursuant to section 10 of P.L.2009, c.307 (C.24:6I-10) only if:
   (1) a supervising physician has authorized the physician assistant to issue written instructions to registered qualifying patients;
   (2) the physician assistant verifies the patient’s status as a registered qualifying patient; and
   (3) the physician assistant complies with the requirements for issuing written instructions for medical cannabis established pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C. ) (pending before the Legislature as this bill).
   (cf: P.L.2015, c.224, s.7)

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

10. a. In addition to all other tasks which a registered professional nurse may, by law, perform, an advanced practice nurse may manage preventive care services and diagnose and manage deviations from wellness and long-term illnesses, consistent with the needs of the patient and within the scope of practice of the advanced practice nurse, by:
   (1) initiating laboratory and other diagnostic tests;
   (2) prescribing or ordering medications and devices, as authorized by subsections b. and c. of this section; and
   (3) prescribing or ordering treatments, including referrals to other licensed health care professionals, and performing specific procedures in accordance with the provisions of this subsection.

b. An advanced practice nurse may order medications and devices in the inpatient setting, subject to the following conditions:
   (1) the collaborating physician and advanced practice nurse shall address in the joint protocols whether prior consultation with the collaborating physician is required to initiate an order for a controlled dangerous substance;
   (2) the order is written in accordance with standing orders or joint protocols developed in agreement between a collaborating physician and the advanced practice nurse, or pursuant to the specific direction of a physician;
(3) the advanced practice nurse authorizes the order by signing
the nurse's own name, printing the name and certification number,
and printing the collaborating physician's name;
(4) the physician is present or readily available through
electronic communications;
(5) the charts and records of the patients treated by the advanced
practice nurse are reviewed by the collaborating physician and the
advanced practice nurse within the period of time specified by rule
adopted by the Commissioner of Health pursuant to section 13 of
P.L.1991, c.377 (C.45:11-52);
(6) the joint protocols developed by the collaborating physician
and the advanced practice nurse are reviewed, updated, and signed
at least annually by both parties; and
(7) the advanced practice nurse has completed six contact hours
of continuing professional education in pharmacology related to
controlled substances, including pharmacologic therapy, addiction
prevention and management, and issues concerning prescription
opioid drugs, including responsible prescribing practices,
alternatives to opioids for managing and treating pain, and the risks
and signs of opioid abuse, addiction, and diversion, in accordance
with regulations adopted by the New Jersey Board of Nursing. The
six contact hours shall be in addition to New Jersey Board of
Nursing pharmacology education requirements for advanced
practice nurses related to initial certification and recertification of
c. An advanced practice nurse may prescribe medications and
devices in all other medically appropriate settings, subject to the
following conditions:
(1) the collaborating physician and advanced practice nurse
shall address in the joint protocols whether prior consultation with
the collaborating physician is required to initiate a prescription for a
controlled dangerous substance;
(2) the prescription is written in accordance with standing orders
or joint protocols developed in agreement between a collaborating
physician and the advanced practice nurse, or pursuant to the
specific direction of a physician;
(3) the advanced practice nurse writes the prescription on a New
Jersey Prescription Blank pursuant to P.L.2003, c.280 (C.45:14-
40 et seq.), signs the nurse's own name to the prescription and prints
the nurse's name and certification number;
(4) the prescription is dated and includes the name of the patient
and the name, address, and telephone number of the collaborating
physician;
(5) the physician is present or readily available through
electronic communications;
(6) the charts and records of the patients treated by the advanced
practice nurse are periodically reviewed by the collaborating
physician and the advanced practice nurse;
(7) the joint protocols developed by the collaborating physician and the advanced practice nurse are reviewed, updated, and signed at least annually by both parties; and

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

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

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

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

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

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

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

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

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

(5) the physician is present or readily available through electronic communications:
(6) the charts and records of qualifying patients treated by the advanced practice nurse are periodically reviewed by the collaborating physician and the advanced practice nurse; (7) the joint protocols developed by the collaborating physician and the advanced practice nurse are reviewed, updated, and signed at least annually by both parties; and (8) the advanced practice nurse complies with the requirements for authorizing qualifying patients for the medical use of cannabis and for issuing written instructions for medical cannabis established pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C. ) (pending before the Legislature as this bill). (cf: P.L.2017, c.28, s.15) 38. Section 5 of P.L.2009, c.307 (C.24:6I-5) is repealed. 39. This act shall take effect immediately.