

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

STATE OF NEW JERSEY
218th LEGISLATURE

ADOPTED NOVEMBER 26, 2018

Sponsored by:

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblyman JOE DANIELSEN

District 17 (Middlesex and Somerset)

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman ANDREW ZWICKER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman JOANN DOWNEY

District 11 (Monmouth)

Assemblyman ERIC HOUGHTALING

District 11 (Monmouth)

Assemblywoman CAROL A. MURPHY

District 7 (Burlington)

Assemblyman REED GUSCIORA

District 15 (Hunterdon and Mercer)

Assemblyman TIM EUSTACE

District 38 (Bergen and Passaic)

Co-Sponsored by:

Assemblywoman Jasey

SYNOPSIS

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

CURRENT VERSION OF TEXT

Substitute as adopted by the Assembly Appropriations Committee.

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

3

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

6

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

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

12

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

15 2. The Legislature finds and declares that:

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

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

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

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

42 e. Compassion dictates that a distinction be made between
43 medical and non-medical uses of **[marijuana]** cannabis. Hence, the

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 purpose of this act is to protect from arrest, prosecution, property
2 forfeiture, and criminal and other penalties, those patients who use
3 **【marijuana】** cannabis to alleviate suffering from **【debilitating】**
4 qualifying medical conditions, as well as their **【physicians】** health
5 care practitioners, **【primary】** designated caregivers, institutional
6 caregivers, and those who are authorized to produce **【marijuana】**
7 cannabis for medical purposes.

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

9
10 3. Section 3 of P.L.2009, c.307 (C.24:6I-3) is amended to read
11 as follows:

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

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

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

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

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

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

44 “Clinical registrant” means an entity that has a written
45 contractual relationship with an academic medical center in the
46 region in which it has its principal place of business, which includes
47 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, dispensing and managing controlled dangerous substances, among other areas.

“Commission” means the Cannabis Regulatory Commission established pursuant to section 7 of P.L. , c. (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. (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 on the qualifying patient's application or renewal for a registry identification card 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. (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, 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;

(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, 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 and parents of the individual’s spouse or civil union partner, and the spouses or civil union partners of the individual’s 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

1 patients and assisting registered qualifying patients with the
2 administration of medical cannabis;

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

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

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

26 “Integrated curriculum permit” or “IC permit” means a permit
27 issued to a medical cannabis cultivator, medical cannabis
28 manufacturer, or medical cannabis dispensary that includes an
29 integrated curriculum approved by the commission and the
30 Department of Education.

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

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

43 **“Medical cannabis cultivator” means an organization holding a**
44 **permit issued by the commission that authorizes the organization to:**
45 **possess and cultivate cannabis and deliver, transfer, transport,**
46 **distribute, supply, and sell medical cannabis and related supplies to**
47 **other medical cannabis cultivators and to medical cannabis**

1 manufacturers and medical cannabis dispensaries, as well as to
2 plant, cultivate, grow, and harvest medical cannabis for research
3 purposes. A medical cannabis cultivator permit shall not authorize
4 the permit holder to manufacture, produce, or otherwise create
5 medical cannabis products, or to deliver, transfer, transport,
6 distribute, supply, sell, or dispense medical cannabis, medical
7 cannabis products, paraphernalia, or related supplies to qualifying
8 patients, designated caregivers, or institutional caregivers.

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

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

41 “Medical use of [marijuana] cannabis” means the acquisition,
42 possession, transport, or use of [marijuana] cannabis or
43 paraphernalia by a registered qualifying patient as authorized by
44 [this act] P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158
45 (C.18A:40-12.22 et al.), and P.L. , c. (C.) (pending before
46 the Legislature as this bill).

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

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

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

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

17 "Primary caregiver" or "caregiver" means a resident of the State
18 who:

- 19 a. is at least 18 years old;
- 20 b. has agreed to assist with a registered qualifying patient's
21 medical use of marijuana, is not currently serving as primary
22 caregiver for another qualifying patient, and is not the qualifying
23 patient's physician;
- 24 c. has never been convicted of possession or sale of a
25 controlled dangerous substance, unless such conviction occurred
26 after the effective date of this act and was for a violation of federal
27 law related to possession or sale of cannabis that is authorized
28 under this act;
- 29 d. has registered with the department pursuant to section 5 of
30 this act, and has satisfied the criminal history record background
31 check requirement of section 5 of this act; and
- 32 e. has been designated as primary caregiver on the qualifying
33 patient's application or renewal for a registry identification card or
34 in other written notification to the department. **】**

35 "Qualifying medical condition" means seizure disorder,
36 including epilepsy; intractable skeletal muscular spasticity; post-
37 traumatic stress disorder; glaucoma; positive status for human
38 immunodeficiency virus; acquired immune deficiency syndrome;
39 cancer; amyotrophic lateral sclerosis; multiple sclerosis; muscular
40 dystrophy; inflammatory bowel disease, including Crohn's disease;
41 terminal illness, if the patient has a prognosis of less than 12
42 months of life; anxiety; migraine; Tourette's syndrome;
43 dysmenorrhea; chronic pain; or any other medical condition or its
44 treatment that is approved by the commission.

45 "Qualifying patient" or "patient" means a resident of the State
46 who has been **【**provided with a certification**】** authorized for the
47 medical use of cannabis by a **【**physician**】** health care practitioner

1 pursuant to a bona fide **【physician-patient】** practitioner-patient
2 relationship.

3 "Registry identification card" means a document issued by the
4 **【department】** commission that identifies a person as a registered
5 qualifying patient **【or primary】**, designated caregiver, or
6 institutional caregiver.

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

9 "Usable **【marijuana】** cannabis" means the dried leaves and
10 flowers of **【marijuana】** cannabis, and any mixture or preparation
11 thereof, and does not include the seeds, stems, stalks, or roots of the
12 plant.

13 (cf: P.L.2016, c.53, s.1)
14

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

17 4. a. The **【department】** commission shall establish a registry of
18 qualifying patients and their **【primary】** designated caregivers, and
19 shall issue a registry identification card, which shall be valid for
20 two years, to a qualifying patient and **【primary】** each designated
21 caregiver for the patient, if applicable, who submits the following,
22 in accordance with regulations adopted by the **【department】**
23 commission:

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

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

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

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

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

41 The commission shall establish a registry of institutional
42 caregivers and shall issue a registry identification card, which shall
43 be valid for one year, to an institutional caregiver who submits the
44 name, address, and telephone number of the institutional caregiver
45 and of the health care facility at which the individual will be
46 serving as institutional caregiver and a certification that meets the
47 requirements of subsection h. of this section. The application or

1 renewal fee for the institutional caregiver shall be paid by the health
2 care facility at which the institutional caregiver will be serving as
3 institutional caregiver. An institutional caregiver shall not be
4 limited in the number of qualifying patients for whom the
5 institutional caregiver may serve as institutional caregiver at one
6 time, provided that each qualifying patient served by the
7 institutional caregiver is a current patient or resident at the health
8 care facility at which the institutional caregiver is authorized to
9 serve as institutional caregiver, and the number of qualifying
10 patients served by the institutional caregiver is commensurate with
11 the institutional caregiver's ability to fully meet the treatment and
12 related needs of each qualifying patient and attend to the
13 institutional caregiver's other professional duties at the health care
14 facility without jeopardizing the health or safety of any patient or
15 resident at the facility.

16 b. Before issuing a registry identification card, the
17 **【department】** commission shall verify the information contained in
18 the application or renewal form submitted pursuant to this section.
19 In the case of a **【primary】** designated or institutional caregiver, the
20 **【department】** commission shall provisionally approve an
21 application pending the results of a criminal history record
22 background check, if the caregiver otherwise meets the
23 requirements of **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.). The
24 **【department】** commission shall approve or deny an application or
25 renewal within 30 days of receipt of the completed application or
26 renewal, and shall issue a registry identification card within five
27 days of approving the application or renewal. The **【department】**
28 commission may deny an application or renewal only if the
29 applicant fails to provide the information required pursuant to this
30 section, or if the **【department】** commission determines that the
31 information was incorrect or falsified or does not meet the
32 requirements of **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.).
33 Denial of an application shall be a final agency decision, subject to
34 review by the Superior Court, Appellate Division.

35 c. (1) The **【commissioner】** executive director shall require each
36 applicant seeking to serve as a **【primary】** designated or institutional
37 caregiver to undergo a criminal history record background check;
38 except that no criminal history record background check shall be
39 required for an applicant seeking to serve as a designated caregiver
40 if the applicant is an immediate family member of the patient, and
41 no criminal history record background check shall be required for
42 an applicant seeking to serve as an institutional caregiver if the
43 applicant completed a criminal history record background check as
44 a condition of professional licensure or certification. The
45 **【commissioner】** executive director is authorized to exchange
46 fingerprint data with and receive criminal history record
47 background information from the Division of State Police and the

1 Federal Bureau of Investigation consistent with the provisions of
2 applicable federal and State laws, rules, and regulations. The
3 Division of State Police shall forward criminal history record
4 background information to the **【commissioner】** executive director
5 in a timely manner when requested pursuant to the provisions of
6 this section.

7 An applicant seeking to serve as a **【primary】** designated or
8 institutional caregiver who is required to complete a criminal
9 history record background check pursuant to this section shall
10 submit to being fingerprinted in accordance with applicable State
11 and federal laws, rules, and regulations. No check of criminal
12 history record background information shall be performed pursuant
13 to this section unless the applicant has furnished **【his】** the
14 applicant's written consent to that check. An applicant who is
15 required to complete a criminal history record background check
16 pursuant to this section who refuses to consent to, or cooperate in,
17 the securing of a check of criminal history record background
18 information shall not be considered for inclusion in the registry as a
19 **【primary】** designated or institutional caregiver or issuance of an
20 identification card. An applicant shall bear the cost for the criminal
21 history record background check, including all costs of
22 administering and processing the check.

23 (2) The **【commissioner】** executive director shall not approve an
24 applicant seeking to serve as a **【primary】** designated or institutional
25 caregiver who is required to complete a criminal history record
26 background check pursuant to this section if the criminal history
27 record background information of the applicant reveals a
28 disqualifying conviction. For the purposes of this section, a
29 disqualifying conviction shall mean a conviction of a crime
30 involving any controlled dangerous substance or controlled
31 substance analog as set forth in chapter 35 of Title 2C of the New
32 Jersey Statutes except paragraph (4) of subsection a. of
33 N.J.S.2C:35-10, or any similar law of the United States or of any
34 other state.

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

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

45 (4) The Division of State Police shall promptly notify the
46 **【commissioner】** executive director in the event that an individual
47 who was the subject of a criminal history record background check

1 conducted pursuant to this section is convicted of a crime or offense
2 in this State after the date the background check was performed.
3 Upon receipt of that notification, the **【commissioner】** executive
4 director shall make a determination regarding the continued
5 eligibility of the applicant to serve as a **【primary】** designated or
6 institutional caregiver.

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

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

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

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

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

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

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

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

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

35 d. A registry identification card shall contain the following
36 information:

37 (1) (a) in the case of a registry identification card for a patient
38 or designated caregiver, the name, address, and date of birth of the
39 patient and **【primary】** each designated caregiver, if applicable; and

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

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

44 (3) photo identification of the cardholder; and

45 (4) such other information that the **【department】** commission
46 may specify by regulation.

1 e. (1) A patient who has been issued a registry identification
2 card shall notify the **【department】** commission of any change in the
3 patient's name, address, or **【physician】** health care practitioner or
4 change in status of the patient's **【debilitating】** qualifying medical
5 condition, within 10 days of such change, or the registry
6 identification card shall be deemed null and void.

7 (2) A **【primary】** designated caregiver who has been issued a
8 registry identification card shall notify the **【department】**
9 commission of any change in the caregiver's name or address within
10 10 days of such change, or the registry identification card shall be
11 deemed null and void.

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

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

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

34 (2) authorized employees of State or local law enforcement
35 agencies, only as necessary to verify that a person who is engaged
36 in the suspected or alleged medical use of **【marijuana】** cannabis is
37 lawfully in possession of a registry identification card.

38 g. Applying for or receiving a registry card does not constitute
39 a waiver of the qualifying patient's **【patient-physician】** practitioner-
40 patient privilege.

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

45 (1) the facility has authorized the applicant to assist registered
46 qualifying patients at the facility with the medical use of cannabis,
47 including obtaining medical cannabis from a medical cannabis

1 dispensary and assisting registered qualifying patients with the
2 administration of medical cannabis;

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

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

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

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

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

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

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

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

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

44
45 5. (New section) a. A health care practitioner shall not be
46 required to be listed publicly in any medical cannabis practitioner
47 registry as a condition of authorizing patients for the medical use of
48 cannabis.

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

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

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

32

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

41 b. Nothing in subsection a. of this section shall be construed to
42 prevent a health care practitioner from serving on the governing
43 board of a medical cannabis cultivator, medical cannabis
44 manufacturer, medical cannabis dispensary, or clinical registrant, or
45 on the medical advisory board of a medical cannabis cultivator,
46 medical cannabis manufacturer, medical cannabis dispensary, or
47 clinical registrant established pursuant to section 15 of P.L. ,

1 c. (C.) (pending before the Legislature as this bill), or from
2 receiving a reasonable stipend for such service, provided that:

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

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

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

22 d. A person who violates subsection a. of this section shall be
23 guilty of a crime of the fourth degree.
24

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

47 b. An individual who is registered as a designated caregiver in
48 another state or jurisdiction within the United States that authorizes

1 the medical use of cannabis shall be considered a designated
2 caregiver for the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) for a
3 period of up to six months, provided that the individual is in
4 possession of both a valid registry card and a valid photo
5 identification card issued by the other state or jurisdiction. During
6 the six month period, the individual shall be authorized to assist a
7 registered qualifying patient with the medical use of cannabis and
8 engage in such other conduct in connection with medical cannabis
9 in New Jersey as is consistent with the requirements of P.L.2009,
10 c.307 (C.24:6I-1 et al.) and the laws of the state or jurisdiction that
11 issued the caregiver's registry card, except that medical cannabis
12 shall not be dispensed to the individual on behalf of a registered
13 qualifying patient unless a health care practitioner licensed in New
14 Jersey issues written instructions for the registered qualifying
15 patient that meet the requirements of section 10 of P.L.2009, c.307
16 (C.24:6I-10). No individual shall be authorized to assist a
17 registered qualifying patient with the medical use of cannabis or
18 engage in other conduct in connection with medical cannabis in
19 New Jersey pursuant to a medical cannabis registration from
20 another State or jurisdiction for more than six months unless the
21 individual registers with the commission as a designated caregiver
22 pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4).

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

26

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

29 6. a. The provisions of N.J.S.2C:35-18 shall apply to any
30 qualifying patient, **【primary】** designated caregiver, **【alternative**
31 **treatment center, physician】** institutional caregiver, health care
32 facility, medical cannabis cultivator, medical cannabis
33 manufacturer, medical cannabis dispensary, health care practitioner,
34 academic medical center, clinical registrant, testing laboratory, or
35 any other person acting in accordance with the provisions of
36 P.L.2009, c.307 (C.24:6I-1 et al.) **【or】** , P.L.2015, c.158 (C.18A:40-
37 12.22 et al.), or P.L. , c. (C.) (pending before the
38 Legislature as this bill).

39 b. A qualifying patient, **【primary】** designated caregiver,
40 **【alternative treatment center, physician】** institutional caregiver,
41 health care facility, medical cannabis cultivator, medical cannabis
42 manufacturer, medical cannabis dispensary, health care practitioner,
43 academic medical center, clinical registrant, testing laboratory, or
44 any other person acting in accordance with the provisions of
45 P.L.2009, c.307 (C.24:6I-1 et al.) **【or】** , P.L.2015, c.158 (C.18A:40-
46 12.22 et al.), or P.L. , c. (C.) (pending before the
47 Legislature as this bill) shall not be subject to any civil or

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

1 denied any benefit under State law solely on the basis of enrolling a
2 person who is a registry identification cardholder.

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

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

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

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

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

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

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

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

22

23 9. (New section) a. It shall be unlawful to take any adverse
24 employment action against an employee who is a registered
25 qualifying patient based solely on the employee's status as a
26 registry identification cardholder.

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

33 (2) Within three working days after receiving notice pursuant to
34 paragraph (1) of this subsection, the employee or job applicant may
35 submit information to the employer to explain the positive test
36 result, or may request a confirmatory retest of the original sample at
37 the employee's or job applicant's own expense. As part of an
38 employee's or job applicant's explanation for the positive test
39 result, the employee or job applicant may present an authorization
40 for medical cannabis issued by a health care practitioner, a registry
41 identification card, or both.

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

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

46 (2) require an employer to commit any act that would cause the
47 employer to be in violation of federal law, that would result in a

1 loss of a licensing-related benefit pursuant to federal law, or that
2 would result in the loss of a federal contract or federal funding.

3 d. No employer shall be penalized or denied any benefit under
4 State law solely on the basis of employing a person who is a
5 registry identification cardholder.

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

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

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

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

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

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

37 (c) The provisions of subparagraph (a) of this paragraph shall
38 not apply to any alternative treatment center that was issued a
39 permit prior to the effective date of P.L. , c. (C.) (pending
40 before the Legislature as this bill), to any alternative treatment
41 center that was issued a permit after the effective date of P.L. ,
42 c. (C.) (pending before the Legislature as this bill) pursuant
43 to an application submitted prior to the effective date of P.L. ,
44 c. (C.) (pending before the Legislature as this bill), or to one
45 of the six alternative treatment centers issued a permit pursuant to
46 section 11 of P.L. , c. (C.) (pending before the Legislature
47 as this bill) that are expressly exempt from the provisions of
48 subsection (a) of this paragraph, which alternative treatment centers

1 shall be deemed to concurrently hold a medical cannabis cultivator
2 permit, a medical cannabis manufacturer permit, and a medical
3 cannabis dispensary permit, and shall be authorized to engage in
4 any conduct authorized pursuant to those permits in relation to the
5 cultivation, manufacturing, and dispensing of medical cannabis. In
6 addition, an alternative treatment center that was issued a permit
7 prior to the effective date of P.L. , c. (C.) (pending before
8 the Legislature as this bill), an alternative treatment center that was
9 issued a permit after the effective date of P.L. , c. (C.)
10 (pending before the Legislature as this bill) pursuant to an
11 application submitted prior to the effective date of P.L. ,
12 c. (C.) (pending before the Legislature as this bill), and the
13 six alternative treatment center permits issued pursuant to section
14 11 of P.L. , c. (C.) (pending before the Legislature as this
15 bill) that are expressly exempt from the provisions of subparagraph
16 (a) of this paragraph shall, upon the effective date of P.L. ,
17 c. (C.) (pending before the Legislature as Senate Bill No.
18 2703), be deemed to concurrently hold a Class 1 Cannabis Grower
19 license, a Class 2 Cannabis Processor License, a Class 3 Cannabis
20 Wholesaler license, and a Class 4 Cannabis Retail license, plus an
21 additional Class 4 Cannabis Retail license for each satellite
22 dispensary that was approved pursuant to an application submitted
23 prior to the effective date of P.L. , c. (C.) (pending before
24 the Legislature as this bill). The alternative treatment center shall
25 be authorized to use the same premises for all activities authorized
26 under P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C.)
27 (pending before the Legislature as Senate Bill No. 2703) without
28 being required to establish or maintain any physical barriers or
29 separations between operations related to the medical use of
30 cannabis and operations related to adult use cannabis, provided that
31 the alternative treatment center shall be required to certify to the
32 commission that the alternative treatment center has sufficient
33 quantities of medical cannabis and medical cannabis products
34 available to meet the reasonably anticipated treatment needs of
35 registered qualifying patients as a condition of selling adult use
36 cannabis at retail.

37 (d) No entity may be issued or concurrently hold more than one
38 medical cannabis cultivator permit, one medical cannabis
39 manufacturer permit, or one medical cannabis dispensary permit at
40 one time, and no medical cannabis dispensary shall be authorized to
41 establish a satellite location on or after the effective date of P.L. ,
42 c (C.) (pending before the Legislature as this bill), except that
43 an alternative treatment center that was issued a permit prior to the
44 effective date of P.L. , c. (C.) (pending before the
45 Legislature as this bill) or that was issued a permit after the
46 effective date of P.L. , c. (C.) (pending before the
47 Legislature as this bill) pursuant to an application submitted prior to
48 the effective date of P.L. , c. (C.) (pending before the

1 Legislature as this bill) shall be authorized to maintain any satellite
2 dispensary that was approved pursuant to an application submitted
3 prior to the effective date of P.L. , c. (C.) (pending before
4 the Legislature as this bill).

5 (e) No entity issued a medical cannabis cultivator, medical
6 cannabis manufacturer, or medical cannabis dispensary permit may
7 concurrently hold a clinical registrant permit issued pursuant to
8 section 13 of P.L. , c. (C.) (pending before the legislature
9 as this bill, and no entity issued a clinical registrant permit pursuant
10 to section 13 of P.L. , c. (C.) (pending before the
11 Legislature as this bill) may concurrently hold a medical cannabis
12 cultivator permit, a medical cannabis manufacturer permit, or a
13 medical cannabis dispensary permit.

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

24 [An alternative treatment center]

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

35 (5) (a) A medical cannabis cultivator shall be authorized to:
36 acquire a reasonable initial and ongoing inventory, as determined
37 by the [department] commission, of [marijuana] cannabis seeds or
38 seedlings and paraphernalia [,] ; possess, cultivate, plant, grow,
39 harvest, [process, display, manufacture,] and package medical
40 cannabis, including prerolled forms, for any authorized purpose,
41 including, but not limited to, research purposes; and deliver,
42 transfer, transport, distribute, supply, or sell [, or dispense] medical
43 [marijuana] cannabis [, or] and related supplies to any medical
44 cannabis cultivator, medical cannabis manufacturer, medical
45 cannabis dispensary, or clinical registrant in the State. In no case
46 shall a medical cannabis cultivator or clinical registrant operate or
47 be located on land that is valued, assessed or taxed as an

1 agricultural or horticultural use pursuant to the "Farmland
2 Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

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

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

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

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

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

45 b. The [department] commission shall require that an applicant
46 provide such information as the [department] commission

1 determines to be necessary pursuant to regulations adopted pursuant
2 to **【this act】** P.L.2009, c.307 (C.24:6I-1 et al.).

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

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

38 In the event that an individual who is exempt from the criminal
39 history record background check requirement of this section
40 subsequently acquires an investment interest of five percent or more
41 in the medical cannabis cultivator, medical cannabis manufacturer,
42 medical cannabis dispensary, or clinical registrant, or a group that is
43 exempt from the criminal history record background check
44 requirement of this section subsequently acquires an investment
45 interest of 20 percent or more in the medical cannabis cultivator,
46 medical cannabis manufacturer, medical cannabis dispensary, or
47 clinical registrant or any member of the group acquires more than a

1 five percent interest in the total group investment interest, or the
2 individual or group gains the authority to make controlling
3 decisions regarding medical cannabis cultivator, medical cannabis
4 manufacturer, medical cannabis dispensary, or clinical registrant
5 operations, the individual or the members of the group, as
6 applicable, shall notify the commission and shall complete a
7 criminal history record background check no later than 30 days
8 after the date that such change occurs, or any permit issued to the
9 individual or group shall be revoked and the individual or group
10 shall be deemed ineligible to hold any ownership or investment
11 interest in a medical cannabis cultivator, medical cannabis
12 manufacturer, medical cannabis dispensary, or clinical registrant for
13 a period of two years, commencing from the date of revocation.

14 For purposes of this section, the term "applicant" shall include
15 any owner, director, officer, or employee of **【an alternative**
16 **treatment center】** a medical cannabis cultivator, medical cannabis
17 manufacturer, medical cannabis dispensary, or clinical registrant.
18 The **【commissioner】** executive director is authorized to exchange
19 fingerprint data with and receive criminal history record
20 background information from the Division of State Police and the
21 Federal Bureau of Investigation consistent with the provisions of
22 applicable federal and State laws, rules, and regulations. The
23 Division of State Police shall forward criminal history record
24 background information to the **【commissioner】** executive director
25 in a timely manner when requested pursuant to the provisions of
26 this section.

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

43 (2) The **【commissioner】** executive director shall not approve an
44 applicant for a permit to operate, or authorization to be employed
45 at, **【an alternative treatment center】** a medical cannabis cultivator,
46 medical cannabis manufacturer, medical cannabis dispensary, or
47 clinical registrant if the criminal history record background

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 commission pursuant to this subsection may be imposed in a
2 summary proceeding.

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

4
5 11. (New section) The commission shall, no later than 90 days
6 after the effective date of P.L. , c. (C.) (pending before the
7 Legislature as this bill) or upon adoption of rules and regulations as
8 provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-
9 16), whichever occurs first, begin accepting and processing
10 applications for new medical cannabis cultivator, medical cannabis
11 manufacturer, and medical cannabis dispensary permits.
12 Notwithstanding the provisions of subparagraph (a) of paragraph (2)
13 of subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7), the first
14 six alternative treatment center permits issued by the commission
15 pursuant to an application submitted on or after the effective date of
16 P.L. , c. (C.) (pending before the Legislature as this bill)
17 shall be deemed to concurrently hold a medical cannabis cultivator
18 permit, a medical cannabis manufacturer permit, and a medical
19 cannabis dispensary permit. Any permits issued by the commission
20 thereafter shall be subject to the provisions of subparagraph (a) of
21 paragraph (2) of subsection a. of section 7 of P.L.2009, c.307
22 (C.24:6I-7). The commission may establish nonrefundable
23 application fees for permit applications and permit fees for
24 successful applicants.

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

43 The commission shall issue a permit to an approved applicant at
44 such time as the commission completes the application review
45 process and any mandatory inspections, and determines that the
46 applicant is in compliance with and is implementing the plans,
47 procedures, protocols, actions, or other measures set forth in the
48 applicant's permit application submitted pursuant to section 12 of

1 P.L. , c. (C.) (pending before the Legislature as this bill),
2 did maintain compliance with the terms, conditions, or restrictions
3 of a conditional permit issued to the applicant, if applicable, and is
4 otherwise in compliance with the requirements of P.L.2009, c.307
5 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
6 Legislature as this bill).

7
8 12. (New section) a. Each application for an initial three-year
9 medical cannabis cultivator permit, medical cannabis manufacturer
10 permit, and medical cannabis dispensary permit, and each
11 application for biennial renewal of such permit, shall be submitted
12 to the commission. A full, separate application shall be required for
13 each initial permit requested by the applicant and for each location
14 at which an applicant seeks to operate, regardless of whether the
15 applicant was previously issued, or currently holds, a medical
16 cannabis cultivator, medical cannabis manufacturer, medical
17 cannabis dispensary, or clinical registrant permit. Renewal
18 applications shall be submitted to the commission on a form and in
19 a manner as shall be specified by the commission no later than 90
20 days before the date the current permit will expire.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 involve activities related to the cultivation, manufacturing, or
2 dispensing of medical cannabis and medical cannabis products. An
3 application shall not be disqualified from consideration if the
4 application does not include the materials described in
5 subparagraphs (b) or (c) of this paragraph.

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

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

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

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

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

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

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

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

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

46 (b) a demonstration of the applicant's financial ability to
47 implement its business plan, which may include, but shall not be
48 limited to, bank statements, business and individual financial

1 statements, net worth statements, and debt and equity financing
2 statements; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (1) has been certified as a minority business or as a women's
15 business pursuant to P.L.1986, c.195 (C.52:27H-21.18 et seq.);

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

18 (3) is a disabled-veterans' business, as defined in section 2 of
19 P.L.2015, c.116 (C.52:32-31.2); or

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

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

27 h. The commission shall give special consideration to any
28 applicant that has entered into an agreement with an institution of
29 higher education to create an integrated curriculum involving the
30 cultivation, manufacturing, and dispensing of medical cannabis,
31 provided that the curriculum is approved by both the commission
32 and the Department of Education and the applicant agrees to
33 maintain the integrated curriculum in perpetuity. An integrated
34 curriculum permit shall be subject to revocation if the IC permit
35 holder fails to maintain or continue the integrated curriculum. In
36 the event that, because of circumstances outside an IC permit
37 holder's control, the IC permit holder will no longer be able to
38 continue an integrated curriculum, the IC permit holder shall notify
39 the commission and shall make reasonable efforts to establish a new
40 integrated curriculum with an institution of higher education,
41 subject to approval by the commission and the Department of
42 Education. If the IC permit holder is unable to establish a new
43 integrated curriculum within six months after the date the current
44 integrated curriculum arrangement ends, the commission shall
45 revoke the entity's IC permit, unless the commission finds there are
46 extraordinary circumstances that justify allowing the permit holder
47 to retain the permit without an integrated curriculum and the
48 commission finds that allowing the permit holder to retain the

1 permit would be consistent with the purposes of P.L.2009, c.307
2 (C.24:6I-1 et al.), in which case the IC permit shall convert to a
3 regular permit of the same type. The commission may revise the
4 application and permit fees or other conditions for an IC permit as
5 may be necessary to encourage applications for IC permits.

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

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

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

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

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

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

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

45 b. The commission shall, no later than 90 days after the
46 effective date of P.L. , c. (C.) (pending before the
47 Legislature as this bill) or upon adoption of rules and regulations as
48 provided in subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-

1 16), whichever occurs first, begin accepting and processing
2 applications for four clinical registrant permits. Thereafter, the
3 commission shall accept applications for and issue such additional
4 clinical registrant permits as it determines to be necessary and
5 consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.)
6 and P.L. , c. (C.) (pending before the Legislature as this
7 bill). The commission shall make a determination as to a clinical
8 registrant permit application no later than 90 days after receiving
9 the application, which may include a determination that the
10 commission reasonably requires more time to adequately review the
11 application.

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

21 d. A clinical registrant issued a permit pursuant to this section
22 shall be authorized to engage in all conduct involving the
23 cultivation, processing, and dispensing of medical cannabis as is
24 authorized for an entity holding medical cannabis cultivator,
25 medical cannabis manufacturer, and medical cannabis dispensary
26 permits pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. ,
27 c. (C.) (pending before the Legislature as this bill), including
28 dispensing medical cannabis and medical cannabis products to
29 qualifying patients and designated and institutional caregivers. The
30 clinical registrant shall additionally be authorized to engage in
31 clinical research involving medical cannabis using qualifying
32 patients who consent to being part of such research, subject to any
33 restrictions established by the commission.

34 e. A clinical registrant issued a permit pursuant to this section
35 may apply to the commission for a Class 1 Cannabis Grower
36 license, a Class 2 Cannabis Processor License, a Class 3 Cannabis
37 Wholesaler license, and a Class 4 Cannabis Retail license, and shall
38 be authorized to concurrently hold one of each license type and
39 engage in any activities authorized pursuant to the license. The
40 clinical registrant shall be authorized to use the same premises for
41 all activities authorized under P.L.2009, c.307 (C.24:6I-1 et al.) and
42 P.L. , c. (C.) (pending before the Legislature as Senate Bill
43 No. 2703) without being required to establish or maintain any
44 physical barriers or separations between operations related to the
45 medical use of cannabis and operations related to adult use
46 cannabis, provided that the clinical registrant shall be required to
47 certify to the commission that the clinical registrant has sufficient
48 quantities of medical cannabis and medical cannabis products

1 available to meet the reasonably anticipated treatment needs of
2 registered qualifying patients as a condition of selling adult use
3 cannabis at retail.

4 f. (1) A clinical registrant issued a permit pursuant to this
5 section may conduct authorized activities related to medical
6 cannabis and, if applicable, adult use cannabis, at more than one
7 physical location, provided that each location is approved by the
8 commission and is in the same region in which the academic
9 medical center with which the clinical registrant has a contract is
10 located.

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

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

27 g. A clinical registrant permit shall not be sold or transferred to
28 any other entity unless the commission finds that the sale or transfer
29 of the permit is necessary to continue essential clinical research or
30 the commission finds that the sale or transfer is otherwise consistent
31 with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. ,
32 c. (C.) (pending before the Legislature as this bill). No sale
33 or transfer of a clinical registrant permit shall be approved until
34 each applicant at the entity applying to purchase or receive the
35 transfer of the permit undergoes a criminal history record
36 background check pursuant to subsection d. of section 7 of
37 P.L.2009, c.307 (C.24:6I-7).

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

44 i. Each clinical registrant shall submit the results of the clinical
45 research obtained through an approved clinical registrant permit to
46 the commission no later than one year following the conclusion of
47 the research study or publication of the research study in a peer-
48 reviewed medical journal. Nothing in this subsection shall be

1 deemed to require the disclosure of any clinical research that would
2 infringe on the intellectual property of the clinical registrant or on
3 the confidentiality of patient information.

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

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

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

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

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

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

47 c. The commission may establish, by regulation, such
48 additional permit types in connection with medical cannabis as the

1 commission deems necessary and appropriate to maximize the
2 effectiveness and efficiency of the State medical cannabis program
3 and meet the needs of qualifying patients, health care practitioners,
4 medical cannabis cultivators, medical cannabis manufacturers,
5 medical cannabis dispensaries, and related entities. Such permits
6 may include, but shall not be limited to, permits authorizing
7 pharmacy practice sites licensed pursuant to P.L.2003, c.280
8 (C.45:14-40 et seq.) to be authorized to dispense medical cannabis
9 to qualifying patients and their designated and institutional
10 caregivers.

11

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

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

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

34

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

39 (2) The issuance of a permit to operate a medical cannabis
40 cultivator, medical cannabis manufacturer, cannabis dispensary, or
41 clinical registrant to an organization that has been awarded a State
42 or local economic incentive shall invalidate the right of the
43 organization to benefit from the economic incentive as of the date
44 of issuance of the permit, except that an academic medical center
45 that has entered into a contractual relationship with a clinical
46 registrant shall not have any right to benefit from an economic
47 incentive invalidated pursuant to this paragraph on the basis of that
48 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:

8. The provisions of **[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.), and P.L. _____, c. (C. _____) (pending before the Legislature as this bill) shall not be construed to permit a person to:

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.

1 A person who commits an act as provided in this section shall be
2 subject to such penalties as are provided by law.
3 (cf: P.L.2009, c.307, c.8)
4

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

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

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

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

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

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

33 c. A registered qualifying patient or **【his primary】** the patient's
34 designated caregiver, or an institutional caregiver acting on behalf
35 of a qualifying patient, shall present the patient's or caregiver's
36 registry identification card, as applicable, and these written
37 instructions to **【the alternative treatment center】** any medical
38 cannabis dispensary or clinical registrant, which shall verify and log
39 the documentation presented. An institutional caregiver shall
40 additionally present an authorization executed by the patient
41 certifying that the institutional caregiver is authorized to obtain
42 medical cannabis on behalf of the patient. A **【physician】** health
43 care practitioner may provide a copy of a written instruction by
44 electronic or other means, as determined by the **【commissioner】**
45 executive director, directly to **【an alternative treatment center】** a
46 medical cannabis dispensary or a clinical registrant on behalf of a

1 registered qualifying patient. The dispensation of **【marijuana】**
2 medical cannabis pursuant to any written instructions shall occur
3 within one month of the date that the instructions were written or
4 become eligible for dispensing, whichever is later, or the
5 instructions are void.

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

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

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

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

26 (b) on or after January 1, 2019 and continuing until July 1,
27 2019, two and one-half ounces in dried form or the equivalent
28 amount in any other form; and

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

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

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

46 (1) The curriculum for health care practitioners shall be designed
47 to assist practitioners in counseling patients with regard to the
48 quantity, dosing, and administration of medical cannabis as shall be

1 appropriate to treat the patient's qualifying medical condition.
2 Health care practitioners shall complete the curriculum as a
3 condition of authorizing patients for the medical use of cannabis;
4 and

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

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

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

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

30 Commencing July 1, 2024, medical cannabis dispensed by a
31 medical cannabis dispensary or clinical registrant shall not be
32 subject to any tax imposed under the "Sales and Use Tax Act,"
33 P.L.1966, c.30 (C.54:32B-1 et seq.).
34 (cf: P.L.2009, c.307, s.10)

35
36 19. Section 13 of P.L.2009, c.307 (C.24:6I-11) is amended to
37 read as follows:

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

43 b. All fees collected pursuant to **【this act】** P.L.2009, c.307
44 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the
45 Legislature as this bill), including those from qualifying patients,
46 designated and institutional caregivers, and 【alternative treatment
47 centers'】 initial, modification and renewal applications for

1 alternative treatment centers, including medical cannabis
2 cultivators, medical cannabis manufacturers, medical cannabis
3 dispensaries, and clinical registrants, shall be used to offset the cost
4 of the [department's] commission's administration of the
5 provisions of [this act] P.L.2009, c.307 (C.24:6I-1 et al.) and
6 P.L. , c. (C.) (pending before the Legislature as this bill).
7 (cf: P.L.2009, c.307, s.13)

8
9 20. Section 14 of P.L.2009, c.307 (C.24:6I-12) is amended to
10 read as follows:

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

15 (1) no later than one year after the effective date of [this act]
16 P.L.2009, c.307 (C.24:6I-1 et al.), on the actions taken to
17 implement the provisions of [this act] P.L.2009, c.307 (C.24:6I-1
18 et al.); and

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

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

44 c. Within two years after the effective date of [this act]
45 P.L.2009, c.307 (C.24:6I-1 et al.) and every two years thereafter,
46 the commissioner or, after the effective date of P.L. ,
47 c. (C.) (pending before the Legislature as this bill), the

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

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

21

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1 accordance with the requirements of section 26 of P.L. ,
2 c. (C.) (pending before the Legislature as this bill).
- 3 b. There shall be no upper limit on the number of laboratories
4 that may be licensed to perform testing services.
- 5 c. A person who has been convicted of a crime involving any
6 controlled dangerous substance or controlled substance analog as
7 set forth in chapter 35 of Title 2C of the New Jersey Statutes except
8 paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law
9 of the United States or any other state shall not be issued a license
10 to operate as or be a director, officer, or employee of a medical
11 cannabis testing laboratory, unless such conviction occurred after
12 the effective date of P.L.2009, c.307 (C.24:6I-1 et al.) and was for a
13 violation of federal law relating to possession or sale of cannabis
14 for conduct that is authorized under P.L.2009, c.307 (C.24:6I-1 et
15 al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. ,
16 c. (C.) (pending before the Legislature as this bill).
- 17 d. (1) The executive director shall require each applicant for
18 licensure as a medical cannabis testing laboratory to undergo a
19 criminal history record background check, except that no criminal
20 history record background check shall be required for an applicant
21 who completed a criminal history record background check as a
22 condition of professional licensure or certification.
- 23 For purposes of this section, the term "applicant" shall include
24 any owner, director, officer, or employee of a medical cannabis
25 testing laboratory. The executive director is authorized to exchange
26 fingerprint data with and receive criminal history record
27 background information from the Division of State Police and the
28 Federal Bureau of Investigation consistent with the provisions of
29 applicable federal and State laws, rules, and regulations. The
30 Division of State Police shall forward criminal history record
31 background information to the executive director in a timely
32 manner when requested pursuant to the provisions of this section.
- 33 An applicant who is required to undergo a criminal history
34 record background check pursuant to this section shall submit to
35 being fingerprinted in accordance with applicable State and federal
36 laws, rules, and regulations. No check of criminal history record
37 background information shall be performed pursuant to this section
38 unless the applicant has furnished the applicant's written consent to
39 that check. An applicant who is required to undergo a criminal
40 history record background check pursuant to this section who
41 refuses to consent to, or cooperate in, the securing of a check of
42 criminal history record background information shall not be
43 considered for a license to operate, or authorization to be employed
44 at, a medical cannabis testing laboratory. An applicant shall bear
45 the cost for the criminal history record background check, including
46 all costs of administering and processing the check.
- 47 (2) The executive director shall not approve an applicant for a
48 license to operate, or authorization to be employed at, a medical

1 cannabis testing laboratory if the criminal history record
2 background information of the applicant reveals a disqualifying
3 conviction as set forth in subsection c. of this section.

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

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

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

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

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

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

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

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

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

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

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

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

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

11

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

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

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

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

34 e. Until such time as the commission establishes the standards
35 required by this section, a licensed laboratory may utilize testing
36 standards established by any other state with a medical cannabis
37 program.

38

39 27. (New section) The executive director may waive any
40 requirement of P.L.2009, c.307 (C.24:6I-1 et al.) or P.L. ,
41 c. (C.) (pending before the Legislature as this bill) if the
42 executive director determines that granting the waiver is necessary
43 to achieve the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) and
44 P.L. , c. (C.) (pending before the Legislature as this bill)
45 and provide access to patients who would not otherwise qualify for
46 the medical use of cannabis to alleviate suffering from a diagnosed
47 medical condition, and does not create a danger to the public health,
48 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 P.L.2009, c.307 (C.24:6I-1 et al.) or P.L. , c. (C.) (pending 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 P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 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 P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 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.), 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), 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 (C.24:21-1 et seq.), 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). The affirmative

1 defense established herein shall be proved by the defendant by a
2 preponderance of the evidence. It shall not be necessary for the
3 State to negate any exemption set forth in this act or in any
4 provision of Title 24 of the Revised Statutes in any complaint,
5 information, indictment, or other pleading or in any trial, hearing,
6 or other proceeding under this act.

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

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

12
13 31. Section 1 of P.L.2015, c.158 (C.18A:40-12.22) is amended
14 to read as follows:

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

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

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

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

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

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

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

45 c. Medical **【marijuana】** cannabis may be administered to a
46 student while the student is on school grounds, aboard a school bus,
47 or attending school-sponsored events, provided that such

1 administration is consistent with the requirements of the policy
2 adopted pursuant to this section.

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

4
5 32. Section 2 of P.L.2015, c.158 (C.30:6D-5b) is amended to
6 read as follows:

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

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

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

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

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

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

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

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

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

44
45 33. (New section) a. The chief administrator of a facility that
46 offers behavioral health care services shall develop a policy
47 authorizing a parent, guardian, or designated caregiver authorized to

1 assist a qualifying patient with the use of medical cannabis pursuant
2 to P.L.2009, c.307 (C.24:6I-1 et al.) to administer medical cannabis
3 to a person who is receiving behavioral health care services at the
4 facility.

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

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

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

17 (3) expressly authorize parents, guardians, and designated
18 caregivers to administer medical cannabis to the person receiving
19 behavioral health care services while the person is at the facility;
20 and

21 (4) identify locations at the facility where medical cannabis may
22 be administered.

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

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

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

39
40 34. Section 11 of P.L.2009, c.307 (C.45:1-45.1) is amended to
41 read as follows:

42 11. a. A **【physician】** health care practitioner who **【provides a**
43 **certification】** authorizes a patient for the medical use of cannabis or
44 who provides a written instruction for the medical use of
45 **【marijuana】** cannabis to a qualifying patient pursuant to P.L.2009,
46 c.307 (C.24:6I-1 et al.) and **【any alternative treatment center】** each
47 medical cannabis dispensary and clinical registrant shall furnish to
48 the Director of the Division of Consumer Affairs in the Department

1 of Law and Public Safety such information, on a daily basis and in
2 such a format **【and at such intervals,】** as the director shall prescribe
3 by regulation, for inclusion in a system established to monitor the
4 dispensation of **【marijuana】** cannabis in this State for medical use
5 as authorized by the provisions of P.L.2009, c.307 (C.24:6I-1 et
6 al.), which system shall serve the same purpose as, and be cross-
7 referenced with, the electronic system for monitoring controlled
8 dangerous substances established pursuant to section 25 of
9 P.L.2007, c.244 (C.45:1-45).

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

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

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

29
30 35. Section 7 of P.L.1991, c.378 (C.45:9-27.16) is amended to
31 read as follows:

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

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

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

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

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

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

5 (6) Referring patients to, and promoting their awareness of,
6 health care facilities and other appropriate agencies and resources in
7 the community.

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

9 b. A physician assistant may perform the following procedures
10 only when directed, ordered, or prescribed by the supervising
11 physician, or when performance of the procedure is delegated to the
12 physician assistant by the supervising physician as authorized under
13 subsection d. of this section:

14 (1) Performing non-invasive laboratory procedures and related
15 studies or assisting duly licensed personnel in the performance of
16 invasive laboratory procedures and related studies;

17 (2) Giving injections, administering medications, and requesting
18 diagnostic studies;

19 (3) Suturing and caring for facial wounds, traumatic wounds
20 requiring suturing in layers, and infected wounds;

21 (4) Writing prescriptions or ordering medications in an inpatient
22 or outpatient setting in accordance with section 10 of P.L.1991,
23 c.378 (C.45:9-27.19); **and**

24 (5) Prescribing the use of patient restraints; and

25 (6) Authorizing qualifying patients for the medical use of
26 cannabis and issuing written instructions for medical cannabis to
27 registered qualifying patients pursuant to P.L.2009, c.307 (C.24:61-
28 1 et al.).

29 c. A physician assistant may assist a supervising surgeon in the
30 operating room when a qualified assistant physician is not required
31 by the board and a second assistant is deemed necessary by the
32 supervising surgeon.

33 d. A physician assistant may perform medical services beyond
34 those explicitly authorized in this section, when such services are
35 delegated by a supervising physician with whom the physician
36 assistant has signed a delegation agreement pursuant to section 8 of
37 P.L.1991, c.378 (C.45:9-27.17). The procedures delegated to a
38 physician assistant shall be limited to those customary to the
39 supervising physician's specialty and within the supervising
40 physician's and the physician assistant's competence and training.

41 e. Notwithstanding subsection d. of this section, a physician
42 assistant shall not be authorized to measure the powers or range of
43 human vision, determine the accommodation and refractive states of
44 the human eye, or fit, prescribe, or adapt lenses, prisms, or frames
45 for the aid thereof. Nothing in this subsection shall be construed to
46 prohibit a physician assistant from performing a routine visual
47 screening.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (3) the physician assistant is rendering emergency medical
2 assistance.

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

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

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

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

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

19

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

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

28 (1) initiating laboratory and other diagnostic tests;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10
11 38. Section 5 of P.L.2009, c.307 (C.24:6I-5) is repealed.

12
13 39. This act shall take effect immediately.