

[First Reprint]

SENATE, No. 2703

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED JUNE 7, 2018

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Middlesex, Somerset and Union)

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

“New Jersey Cannabis Regulatory and Expungement Aid Modernization Act”; legalizes personal use cannabis for adults; creates Cannabis Regulatory Commission to regulate personal use and medical cannabis; provides expungement relief for certain past marijuana offenses.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on November 26, 2018, with amendments.



1 AN ACT concerning ¹**【marijuana legalization】** the regulation and
2 use of cannabis¹, and amending and supplementing various parts
3 of the statutory law.

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

7
8 1. (New section) This act shall be known and may be cited as
9 the “New Jersey ¹**【Marijuana Legalization】** Cannabis Regulatory
10 and Expungement Aid Modernization¹ Act.”

11
12 2. (New section) Findings and Declarations.

13 The Legislature finds and declares that:

14 a. It is the intent of the people of New Jersey to adopt a new
15 approach to our marijuana policies by taxing, controlling, and
16 legalizing ¹**【marijuana like】** a marijuana product, to be referred to
17 as cannabis, in a similar fashion to the regulation of¹ alcohol for
18 adults;

19 b. It is the intent of the people of New Jersey that the
20 provisions of this act will prevent the sale or distribution of
21 ¹**【marijuana】** cannabis¹ to persons under 21 years of age;

22 c. This act is designed to eliminate the problems caused by the
23 unregulated manufacture, distribution, and use of ¹illegal¹
24 marijuana within New Jersey;

25 d. This act will divert funds from marijuana sales from going to
26 illegal enterprises, gangs, and cartels;

27 e. New Jersey law enforcement officers made over 24,000
28 arrests for marijuana possession in 2012, more than in the previous
29 20 years;

30 f. In 2012, a person was arrested for marijuana possession in
31 New Jersey approximately every 22 minutes;

32 g. Black New Jerseyans are nearly three times more likely to be
33 arrested for marijuana possession than white New Jerseyans, despite
34 similar usage rates;

35 h. Marijuana possession arrests constituted three out of every
36 five drug arrests in New Jersey in 2012;

37 i. New Jersey spends approximately \$127 million per year on
38 marijuana possession enforcement costs;

39 j. Taxing, controlling, and legalizing ¹**【marijuana】** cannabis¹
40 for adults like alcohol will free up precious resources to allow our
41 criminal justice system to focus on serious crime and public safety
42 issues;

43 k. Taxing, controlling, and legalizing ¹**【marijuana】** cannabis¹
44 for adults like alcohol will strike a blow at the illegal enterprises

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted November 26, 2018.

1 that profit from New Jersey's current, unregulated 'illegal'
 2 marijuana **'[illegal]'** market;

3 l. New Jersey must strengthen our support for evidence-based,
 4 drug prevention programs that work to educate New Jerseyans,
 5 particularly young New Jerseyans, about the harms of drug abuse;

6 m. New Jersey must enhance State-supported programming that
 7 provides appropriate, evidence-based treatment for those who suffer
 8 from the illness of drug addiction;

9 n. Controlling and regulating the manufacture, distribution, and
 10 sale of **'[marijuana] cannabis'** will strengthen our ability to keep
 11 'it and illegal' marijuana away from minors;

12 o. A controlled system of **'[marijuana] cannabis'**
 13 manufacturing, distribution, and sale must be designed in a way that
 14 enhances public health and minimizes harms to New Jersey
 15 communities and families;

16 p. The regulated **'[marijuana] cannabis'** system in New Jersey
 17 must be regulated so as to prevent persons younger than 21 years of
 18 age from accessing or purchasing **'[marijuana] cannabis'**;

19 q. A marijuana arrest in New Jersey can have a debilitating
 20 impact on a person's future, including consequences for one's job
 21 prospects, housing access, financial health, familial integrity,
 22 immigration status, and educational opportunities;

23 r. The tax revenue generated from a controlled **'[marijuana]**
 24 **cannabis'** manufacture, distribution, and retail sales system in New
 25 Jersey will generate hundreds of millions of dollars to bolster
 26 effective, evidence-based drug treatment and education, and to
 27 reinvest in New Jersey communities; and

28 s. New Jersey cannot afford to sacrifice its public safety and
 29 civil rights by continuing its ineffective and wasteful 'past'
 30 marijuana enforcement policies.

31

32 3. (New section) 'Definitions.'¹

33 As used in P.L. , c. (C.) (pending before the Legislature
 34 as this bill) 'regarding the personal use of cannabis'¹, unless the
 35 context otherwise requires:

36 '"Alternative treatment center" means an entity issued a permit
 37 to engage in activities associated with medical cannabis pursuant to
 38 the "Jake Honig Compassionate Use Medical Cannabis Act,"
 39 P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-
 40 12.22 et al.).

41 "Cannabis" means all parts of the plant Genus Cannabis L.,
 42 whether growing or not, the seeds thereof, and every compound,
 43 manufacture, salt, derivative, mixture, or preparation of the plant or
 44 its seeds, except those containing resin extracted from the plant,
 45 which are cultivated and processed in accordance with
 46 P.L. , c. (C.) (pending before the Legislature as this bill) for
 47 use in cannabis items as set forth in this act, but shall not include

1 the weight of any other ingredient combined with cannabis to
2 prepare topical or oral administrations, food, drink, or other
3 product. “Cannabis” does not include medical cannabis dispensed
4 to registered qualifying patients pursuant to the “Jake Honig
5 Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
6 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.),
7 marijuana as defined in N.J.S.2C:35-2 and applied to any offense or
8 civil violation set forth in chapters 35, 35A, and 36 of Title 2C of
9 the New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.),
10 or marihuana as defined in section 2 of P.L.1970, c.226 (C.24:21-2)
11 and applied to any offense of the “New Jersey Controlled
12 Dangerous Substances Act,” P.L.1970, c.226 (C.24:21-1 et al.).

13 “Cannabis consumption area” means a designated location
14 operated by a cannabis retailer or alternative treatment center, for
15 which both a State and local endorsement has been obtained, that is
16 either: (1) an indoor, structurally enclosed area of a cannabis
17 retailer or alternative treatment center that is separate from the area
18 in which retail sales of cannabis items or the dispensing of medical
19 cannabis occurs; or (2) an exterior structure on the same premises
20 as the cannabis retailer or alternative treatment center, either
21 separate from or connected to the retailer or center, at which
22 cannabis items or medical cannabis either obtained from the retailer
23 or center, or brought by a person to the consumption area, may be
24 consumed.

25 “Cannabis Regulatory Commission” means the commission
26 established in but not of the Department of the Treasury.

27 “Cannabis establishment” means a cannabis grower, also referred
28 to as a cannabis cultivation facility, a cannabis processor, also
29 referred to as cannabis product manufacturing facility, a cannabis
30 wholesaler, or a cannabis retailer.

31 “Cannabis extract” means a substance obtained by separating
32 resins from cannabis by: (1) a chemical extraction process using a
33 hydrocarbon-based solvent, such as butane, hexane, or propane; (2)
34 a chemical extraction process using the hydrocarbon-based solvent
35 carbon dioxide, if the process uses high heat or pressure; or (3) any
36 other process identified by the commission by rule.

37 “Cannabis flowers” means the flowers of the plant Genus
38 Cannabis L. within the plant family Cannabaceae.

39 “Cannabis grower” means any licensed person or entity that
40 grows, cultivates, or produces cannabis in this State, and may sell
41 this cannabis to other cannabis growers, cannabis processors,
42 cannabis wholesalers, or cannabis retailers, but not to consumers.
43 This person or entity shall hold a Class 1 Cannabis Grower license.
44 A cannabis grower may also be referred to as a “cannabis
45 cultivation facility.”

46 “Cannabis items” means cannabis, cannabis products, and
47 cannabis extracts.

1 “Cannabis leaves” means the leaves of the plant genus Genus
2 Cannabis L. within the plant family Cannabaceae.

3 “Cannabis paraphernalia” means any equipment, products, or
4 materials of any kind which are used, intended for use, or designed
5 for use in planting, propagating, cultivating, growing, harvesting,
6 composting, manufacturing, compounding, converting, producing,
7 processing, preparing, testing, analyzing, packaging, repackaging,
8 storing, vaporizing, or containing cannabis, or for ingesting,
9 inhaling, or otherwise introducing cannabis into the human body.
10 “Cannabis paraphernalia” does not include drug paraphernalia as
11 defined in N.J.S.2C:36-1 and which is used or intended for use to
12 commit a violation of chapter 35 of Title 2C of the New Jersey
13 Statutes.

14 “Cannabis processor” means any licensed person or entity that
15 processes cannabis items in this State by purchasing cannabis,
16 manufacturing, preparing, and packaging cannabis items, and
17 selling these items to other cannabis processors, cannabis
18 wholesalers, or cannabis retailers, but not to consumers. This
19 person or entity shall hold a Class 2 Cannabis Processor license. A
20 cannabis processor may also be referred to as a “cannabis product
21 manufacturing facility.”

22 “Cannabis product” means a product containing cannabis or
23 cannabis extracts and other ingredients intended for human
24 consumption or use, including a product intended to be applied to
25 the skin or hair, edible products, ointments, and tinctures. Cannabis
26 products do not include: (1) cannabis by itself; or (2) cannabis
27 extract by itself.

28 “Cannabis resin” means the resin extracted from any part of the
29 plant Genus Cannabis L. and any compound, manufacture, salt,
30 derivative, mixture, or preparation of such resin, processed and used
31 in accordance with P.L. _____, c. (C. _____) (pending before the
32 Legislature as this bill). “Cannabis resin” does not include hashish
33 as defined in N.J.S.2C:35-2 and applied to any offense or civil
34 violation set forth in chapters 35, 35A, and 36 of Title 2C of the
35 New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or as
36 defined in section 2 of P.L.1970, c.226 (C.24:21-2) and applied to
37 any offense of the “New Jersey Controlled Dangerous Substances
38 Act,” P.L.1970, c.226 (C.24:21-1 et al.).

39 “Cannabis retailer” means any licensed person or entity that
40 purchases cannabis from cannabis growers and cannabis items from
41 cannabis processors or cannabis wholesalers, and sells these to
42 consumers from a retail store. This person or entity shall hold a
43 Class 4 Cannabis Retailer license.

44 “Cannabis testing facility” means an independent, third-party
45 entity meeting accreditation requirements established by the
46 commission that is licensed to analyze and certify cannabis items
47 for compliance with applicable health, safety, and potency
48 standards.

1 “Cannabis wholesaler” means any licensed person or entity that
2 sells cannabis items or cannabis paraphernalia for the purpose of
3 resale either to another cannabis wholesaler or to a cannabis
4 retailer. This person or entity shall hold a Class 3 Cannabis
5 Wholesaler license.¹

6 “Consumer” means a person 21 years of age or older who
7 purchases, acquires, owns, holds, or uses ¹**“marijuana or marijuana**
8 **products”** cannabis items¹ for personal use by a person 21 years of
9 age or older, but not for resale to others.

10 “Consumption” means the act of ingesting, inhaling, or otherwise
11 introducing ¹**“marijuana”** cannabis items¹ into the human body.

12 ¹“Delivery” means the transportation of cannabis items and
13 related supplies to a consumer. “Delivery” also includes the use by
14 a licensed cannabis retailer of any third party technology platform
15 to receive, process, and fulfill orders by consumers, provided that
16 any physical acts in connection with filling the order and delivery
17 shall be accomplished by a certified cannabis handler performing
18 work for or on behalf of the licensed cannabis retailer.

19 “Department” means the Department of Health.¹

20 “Director” means the Director of the ¹**“Division”** Office¹ of
21 ¹**“Marijuana Enforcement”** Minority, Disabled Veterans, and
22 Women Cannabis Business Development in the Cannabis
23 Regulatory Commission¹.

24 ¹**“Division”** means the Division of Marijuana Enforcement in
25 the Department of the Treasury.**】**

26 “Executive director” means the executive director of the
27 Cannabis Regulatory Commission.¹

28 “Financial consideration” means value that is given or received
29 either directly or indirectly through sales, barter, trade, fees,
30 charges, dues, contributions ^{1,1} or donations¹**【**; but does not
31 include: homegrown marijuana that is given or received when
32 nothing is given or received in return; or homegrown marijuana
33 products that are given or received when nothing is given or
34 received in return.

35 “Hashish” means the resin extracted from any part of the plant
36 Genus Cannabis L. and any compound, manufacture, salt,
37 derivative, mixture, or preparation of such resin**】**¹.

38 “Household” means a housing unit and any place in or around a
39 housing unit ¹**【**at which the occupants of the housing unit are
40 producing, processing, or storing homegrown marijuana or
41 homemade marijuana products**】**¹.

42 “Housing unit” means a house, an apartment, a mobile home, a
43 group of rooms, or a single room that is occupied as separate living
44 quarters, in which the occupants live and eat separately from any
45 other persons in the building and which have direct access from the
46 outside of the building or through a common hall.

1 “Immature ¹‘[marijuana] cannabis¹ plant’ means a ¹‘[marijuana]
2 cannabis¹ plant that is not flowering.

3 “Impact zone” means any ¹‘[census tract] local governmental
4 entity, based on past criminal marijuana enterprises contributing to
5 higher concentrations of law enforcement activity, unemployment,
6 and poverty within parts of or throughout the entity,¹ that ¹;

7 (1) has a population of 120,000 or more according to the most
8 recently compiled federal decennial census as of the effective date
9 of P.L. , c. (C.) (pending before the Legislature as this bill);
10 or

11 (2)¹ ranks in the top 33 percent of ¹‘[census tracts] local
12 governmental entities¹ in the State for ¹‘[marijuana-related]
13 marijuana- or hashish-related¹ arrests ¹‘[and that ranks in the
14 bottom 33 percent of census tracts in the State for median
15 household income] for violation of paragraph (4) of subsection a. of
16 N.J.S.2C:35-10 in the calendar year next preceding the effective
17 date of P.L. , c. (C.) (pending before the Legislature as this
18 bill); has a crime index total of 1,000 or higher based upon the
19 indexes listed in the most recently issued annual Uniform Crime
20 Report by the Division of State Police as of that effective date; and
21 has a local governmental entity average annual unemployment rate
22 that ranks in the top 15 percent of all local governmental entities for
23 the calendar year next preceding that effective date, based upon
24 average annual unemployment rates estimated for the relevant
25 calendar year by the Office of Research and Information in the
26 Department of Labor and Workforce Development¹.

27 ¹‘[“Industrial hemp” means the plant of the Genus Cannabis L.
28 and any part of such plant, whether growing or not, with a delta-9
29 tetrahydrocannabinol concentration that does not exceed three-
30 tenths percent on a dry weight basis.]

31 “Jake Honig Compassionate Use Medical Cannabis Act”
32 includes all provisions of P.L.2009, c.307 (C.24:6I-1 et al.), as
33 amended and supplemented by P.L. , c. (C.) (pending
34 before the Legislature as Senate Committee Substitute for Senate
35 Bill Nos. 10 and 2426), as well as all provisions of P.L.2009, c.307
36 (C.24:6I-1 et al.) in effect on the date next preceding the effective
37 date of P.L. , c. (C.) (pending before the Legislature as
38 Senate Committee Substitute for Senate Bill Nos. 10 and 2426)
39 until the date those provisions are amended or supplemented.

40 “License” includes a conditional license issued pursuant to an
41 abbreviated application process, after which the conditional license
42 holder has a limited period of time in which to become
43 subsequently, fully licensed by satisfying all of the remaining
44 conditions for licensure which were not required for the issuance of
45 the conditional license, except when the context of the provisions of
46 P.L. , c. (C.) (pending before the Legislature as this bill)

1 otherwise intend to only apply to a license and not a conditional
2 license.¹

3 “Licensee” means a person ¹**【who】** or entity that¹ holds a
4 license issued under ¹**【this act】** P.L. , c. (C.) (pending
5 before the Legislature as this bill)¹ that is designated as either a
6 Class 1 ¹**【Marijuana】** Cannabis¹ Grower license, a Class 2
7 ¹**【Marijuana】** Cannabis¹ Processor license, a Class 3 ¹**【Marijuana】**
8 Cannabis¹ Wholesaler license, or a Class 4 ¹**【Marijuana】** Cannabis¹
9 Retailer license ¹, and includes a person or entity that holds a
10 conditional license for a designated class, except when the context
11 of the provisions of P.L. , c. (C.) (pending before the
12 Legislature as this bill) otherwise intend to only apply to a person
13 or entity that holds a license and not a conditional license¹.

14 “Licensee representative” means an owner, director, officer,
15 manager, employee, agent, or other representative of a licensee, to
16 the extent that the person acts in a representative capacity.

17 “Local governmental entity” means a municipality.

18 ¹**【“Marijuana”** means all parts of the plant Genus Cannabis L.,
19 whether growing or not; the seeds thereof, and every compound,
20 manufacture, salt, derivative, mixture, or preparation of the plant or
21 its seeds, except those containing resin extracted from the plant; but
22 shall not include the weight of any other ingredient combined with
23 marijuana to prepare topical or oral administrations, food, drink, or
24 other product.

25 “Marijuana Cultivation facility” means a facility licensed to a
26 Class 1 Marijuana Grower to grow and cultivate marijuana, and to
27 sell marijuana to marijuana product manufacturing facilities, and to
28 other marijuana cultivation facilities, but not to consumers.

29 “Marijuana establishment” means a marijuana cultivation
30 facility, a marijuana testing facility, a marijuana product
31 manufacturing facility, or a marijuana retailer.

32 “Marijuana extract” means a substance obtained by separating
33 resins from marijuana by: a. a chemical extraction process using a
34 hydrocarbon-based solvent, such as butane, hexane, or propane; b. a
35 chemical extraction process using the hydrocarbon-based solvent
36 carbon dioxide, if the process uses high heat or pressure; or c. any
37 other process identified by the division by rule.

38 “Marijuana flowers” means the flowers of the plant Genus
39 Cannabis L. within the plant family Cannabaceae.

40 “Marijuana grower” means a person who grows, cultivates or
41 produces marijuana in this State.

42 “Marijuana items” means marijuana, marijuana products, and
43 marijuana extracts.

44 “Marijuana leaves” means the leaves of the plant genus Genus
45 Cannabis L. within the plant family Cannabaceae.

46 “Marijuana paraphernalia” means any equipment, products, or
47 materials of any kind which are used, intended for use, or designed

1 for use in planting, propagating, cultivating, growing, harvesting,
2 composting, manufacturing, compounding, converting, producing,
3 processing, preparing, testing, analyzing, packaging, repackaging,
4 storing, vaporizing, or containing marijuana, or for ingesting,
5 inhaling, or otherwise introducing marijuana into the human body.

6 “Marijuana processor” means a person who processes marijuana
7 items in this State. This entity shall hold a Class 2 Marijuana
8 Processor license.

9 “Marijuana product manufacturing facility” means an entity
10 licensed to purchase marijuana; manufacture, prepare, and package
11 marijuana items; and sell items to other marijuana product
12 manufacturing facilities and to marijuana retailers, but not to
13 consumers.

14 “Marijuana product” means a product containing marijuana or
15 marijuana extracts and other ingredients intended for human
16 consumption or use, including a product intended to be applied to
17 the skin or hair, edible products, ointments, and tinctures.
18 Marijuana products do not include: a. marijuana by itself; or b.
19 marijuana extract by itself.

20 “Marijuana retailer” means an entity licensed to purchase
21 marijuana from marijuana cultivation facilities and marijuana items
22 from marijuana product manufacturing facilities or marijuana
23 wholesalers, and to sell marijuana and marijuana products to
24 consumers from a retail store, which shall also be known as a
25 dispensary. This entity shall hold a Class 4 Marijuana Retailer
26 license.

27 “Marijuana testing facility” means an independent, third-party
28 entity meeting accreditation requirements established by the
29 division that is licensed to analyze and certify the safety and
30 potency of marijuana items.

31 “Marijuana wholesaler” means any licensed person or entity who
32 sells marijuana items or marijuana paraphernalia for the purpose of
33 resale either to a licensed marijuana wholesaler or to a licensed
34 marijuana retailer. This entity shall hold a Class 3 Marijuana
35 Wholesaler license.】¹

36 “Mature ¹【marijuana】 cannabis¹ plant” means a ¹【marijuana】
37 cannabis¹ plant that is not an immature ¹【marijuana】 cannabis¹
38 plant.

39 ¹【“Medical marijuana alternative treatment center” means an
40 entity permitted by the Department of Health to sell marijuana and
41 marijuana products pursuant to the “New Jersey Compassionate Use
42 Medical Marijuana Act” P.L.2009, c.307 (C.24:6I-1 et al.).】

43 “Medical cannabis” means cannabis dispensed to registered
44 qualifying patients pursuant to the “Jake Honig Compassionate Use
45 Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and
46 P.L.2015, c.158 (C.18A:40-12,22 et al.), as both are amended and
47 supplemented by P.L. , c. (C.) (pending before the

1 Legislature as Senate Committee Substitute for Senate Bill Nos. 10
2 and 2426), and includes medical marijuana dispensed under those
3 acts prior to the provisions of P.L. , c. (C.) (pending before
4 the Legislature as Senate Committee Substitute for Senate Bill Nos.
5 10 and 2426) taking effect.

6 “Microbusiness” means a person or entity licensed by the
7 commission as a cannabis grower, cannabis processor, cannabis
8 wholesaler, or cannabis retailer that may only, with respect to its
9 business operations, and capacity and quantity of product: (1)
10 employ no more than 10 employees; (2) operate a cannabis
11 establishment occupying an area of no more than 2,500 square feet,
12 and in the case of a cannabis grower, grow cannabis on an area no
13 more than 2,500 square feet measured on a horizontal plane and
14 grow above that plane not higher than 24 feet; (3) possess no more
15 than 1,000 cannabis plants each month; (4) acquire and process, in
16 the case of a cannabis processor, no more than 1,000 pounds of
17 cannabis in dried form in each month; (5) acquire for resale, in the
18 case of a cannabis wholesaler, no more than 1,000 pounds of
19 cannabis in dried form, or the equivalent amount in any other form,
20 or any combination thereof, each month; and (6) acquire for retail
21 sale, in the case of a cannabis retailer, no more than 1,000 pounds
22 of cannabis in dried form, or the equivalent amount in any other
23 form, or any combination thereof, each month.¹

24 “Noncommercial” means not dependent or conditioned upon the
25 provision or receipt of financial consideration.

26 “Premises” or “licensed premises” includes the following areas
27 of a location licensed under P.L. ,c. (C.) (pending before
28 the Legislature as this bill): all public and private enclosed areas at
29 the location that are used in the business operated at the location,
30 including offices, kitchens, rest rooms, and storerooms; all areas
31 outside a building that the ¹**[division]** commission¹ has specifically
32 licensed for the production, processing, wholesale sale, or retail sale
33 of ¹**[marijuana]** cannabis¹ items; and, for a location that the
34 ¹**[division]** commission¹ has specifically licensed for the
35 production of ¹**[marijuana]** cannabis¹ outside a building, the entire
36 lot or parcel that the licensee owns, leases, or has a right to occupy.

37 “Processes” means the processing, compounding, or conversion
38 of ¹**[marijuana]** cannabis¹ into ¹**[marijuana]** cannabis¹ products or
39 ¹**[marijuana]** cannabis¹ extracts. “Processes” does not include
40 packaging or labeling.

41 “Produces” means the manufacture, planting, cultivation,
42 growing or harvesting of ¹**[marijuana]** cannabis¹. “Produces” does
43 not include the drying of ¹**[marijuana]** cannabis¹ by a ¹**[marijuana]**
44 cannabis¹ processor, if the ¹**[marijuana]** cannabis¹ processor is not
45 otherwise producing ¹**[marijuana]** cannabis¹; or the cultivation and
46 growing of an immature ¹**[marijuana]** cannabis¹ plant by a
47 ¹**[marijuana]** cannabis¹ processor, ¹**[marijuana]** cannabis¹

1 wholesaler, or ¹‘[marijuana] cannabis’ retailer if the ¹‘[marijuana]
2 cannabis’ processor, ¹‘[marijuana] cannabis’ wholesaler, or
3 ¹‘[marijuana] cannabis’ retailer purchased or otherwise received the
4 plant from a licensed ¹‘[marijuana] cannabis’ grower.

5 “Public place” means any place to which the public has access
6 that is not privately owned; or any place to which the public has
7 access where alcohol consumption is not allowed, including, but not
8 limited to, a public street, road, thoroughfare, sidewalk, bridge,
9 alley, plaza, park, playground, swimming pool, shopping area,
10 public transportation facility, vehicle used for public transportation,
11 parking lot, public library, or any other public building, structure, or
12 area.

13 “Radio” means a system for transmitting sound without visual
14 images, and includes broadcast, cable, on-demand, satellite, or
15 internet programming. “Radio” includes any audio programming
16 downloaded or streamed via the Internet.

17 ¹‘“Retail marijuana consumption area” means an establishment
18 where a new or existing marijuana retail licensee has been approved
19 for a retail marijuana consumption area endorsement to sell retail
20 marijuana, retail marijuana concentrate, and retail marijuana
21 product for consumption on the premises.】’

22 “Significantly involved person” means a person or entity ¹‘[that
23 is : in a sole proprietorship, the proprietor; in a partnership, limited
24 partnership, limited liability partnership, or limited liability
25 company, a natural person or natural persons among its partnership
26 or membership who in the aggregate individually own or owns,
27 directly or indirectly through business entities, a 20 percent or
28 greater interest in the company; in a nonpublic corporation, a
29 natural person or natural persons among its shareholders who in the
30 aggregate individually own or owns, directly or indirectly, at least
31 20 percent of the corporation’s total outstanding shares; in a
32 publicly traded corporation or a majority-owned subsidiary of a
33 publicly traded corporation, natural persons who in the aggregate
34 comprise at least 20 percent of the board of directors or governing
35 body of the publicly traded parent corporation; or in a nonprofit
36 corporation, employee cooperative, or association, natural persons
37 who in the aggregate comprise at least 20 percent of the board of
38 directors or governing body as constituted under the “New Jersey
39 Nonprofit Corporation Act,” N.J.S.15A:1-1 et seq.】 who holds at
40 least a five percent investment interest in a proposed or licensed
41 cannabis grower, cannabis processor, cannabis wholesaler, or
42 cannabis retailer, or who is a decision making member of a group
43 that holds at least a 20 percent investment interest in a proposed or
44 licensed cannabis grower, cannabis processor, cannabis wholesaler,
45 or cannabis retailer in which no member of that group holds more
46 than a five percent interest in the total group investment interest,
47 and the person or entity makes controlling decisions regarding the

1 proposed or licensed cannabis grower, cannabis processor, cannabis
2 wholesaler, or cannabis retailer operations¹.

3 “Television” means a system for transmitting visual images and
4 sound that are reproduced on screens, and includes broadcast, cable,
5 on-demand, satellite, or internet programming. “Television”
6 includes any video programming downloaded or streamed via the
7 Internet.

8 “THC” means delta-9-tetrahydrocannabinol, the main
9 psychoactive chemical contained in the cannabis plant.

10 “Unreasonably impracticable” means that the measures necessary
11 to comply with the regulations require such a high investment of
12 risk, money, time, or any other resource or asset that the operation
13 of a **‘[marijuana] cannabis**¹ establishment is not worthy of being
14 carried out in practice by a reasonably prudent businessperson.

15
16 4. (New section) Personal Use of **‘[Marijuana] Cannabis or**
17 **Cannabis Resin**¹.

18 Notwithstanding any other provision of law, the following acts
19 are not unlawful and shall not be **‘[a criminal] an**¹ offense or a
20 basis for seizure or forfeiture of assets under N.J.S.2C:64-1 et seq.
21 or other applicable law for persons 21 years of age or older:

22 a. Possessing, **‘[using] displaying**¹, purchasing, or
23 transporting: **‘[marijuana] cannabis**¹ paraphernalia; one ounce
24 **‘(28.38 grams)**¹ or less of **‘[marijuana] cannabis**¹; **‘[16 ounces]**
25 **the equivalent of one ounce (28.38 grams)**¹ or less of **‘[marijuana]**
26 **cannabis**¹ infused product in solid **‘, liquid, or concentrate**¹ form ¹,
27 based upon an equivalency calculation for different product forms
28 set by the commission in its regulations, and for which the
29 commission may utilize research conducted in other states on the
30 issue of product equivalency calculations when setting this
31 equivalency¹; **‘[72 ounces or less in liquid form; 7 grams or less of**
32 **marijuana concentrate; and up to 6 immature marijuana plants**
33 **subject to the provisions of subsection b. of this section] or five**
34 **grams (0.176 ounces) or less of cannabis resin.** Possessing,
35 displaying, purchasing, or transporting at any one time any amount
36 of cannabis or cannabis resin in an amount greater than as permitted
37 pursuant to this subsection, or an infused product in solid, liquid, or
38 concentrate form with more than the equivalency permitted
39 pursuant to this subsection shall be considered a violation of the
40 “Comprehensive Drug Reform Act of 1987,” P.L.1987, c.106
41 (N.J.S.2C:35-1 et al.), and subject the person to a civil penalty or
42 prosecution as if the person possessed, displayed, purchased, or
43 transported marijuana or hashish in violation of that act¹;

44 b. **‘[Transfer of] Transferring without remuneration:**¹ one
45 ounce **‘(28.38 grams)**¹ or less of **‘[marijuana] cannabis**¹; **‘[16**
46 **ounces] the equivalent of one ounce (28.38 grams)**¹ or less of

1 '[marijuana] cannabis' infused product in solid ¹, liquid, or
2 concentrate' form ¹, based upon the equivalency calculation for
3 different product forms set by the commission pursuant to
4 subsection a. of this section'; ¹[72 ounces or less in liquid form; 7
5 grams or less of concentrate; and up to 6 immature plants, without
6 marijuana cultivation facility] or five grams (0.176 ounces) or less
7 of cannabis resin' to a person who is of ¹[or over the] legal age
8 for purchasing ¹[marijuana] cannabis' items, provided that such
9 transfer is for non-promotional, non-business purposes ¹.
10 Transferring at any one time any amount of cannabis or cannabis
11 resin in an amount greater than as permitted pursuant to this
12 subsection, or an infused product in solid, liquid, or concentrate
13 form with more than the equivalency permitted pursuant to this
14 subsection, or to a person who is not of legal age to purchase
15 cannabis items, shall be considered a violation of the
16 "Comprehensive Drug Reform Act of 1987," P.L.1987, c.106
17 (N.J.S.2C:35-1 et al.), and subject the person to prosecution as if
18 the person distributed marijuana or hashish in violation of that act,
19 unless the transfer to a person who is not of legal age was done by a
20 cannabis establishment licensed pursuant to P.L. , c. (C.)
21 (pending before the Legislature as this bill), or an employee or
22 agent thereof, in which case it is a civil violation and the civil
23 penalty set forth in subsection b. of section 6 of
24 P.L. , c. (C.) (pending before the Legislature as this bill)
25 shall apply';

26 c. Consumption of ¹[marijuana items] a lawfully possessed
27 cannabis item', provided that nothing in this section shall permit a
28 person to smoke or otherwise consume ¹[marijuana items] any
29 cannabis item' in a public place ¹. This prohibition includes the
30 smoking of a cannabis item in any public place pursuant to law that
31 prohibits the smoking of tobacco, including N.J.S.2C:33-13 and the
32 "New Jersey Smoke-Free Air Act," P.L.2005, c.383 (C.26:3D-
33 55 et seq.), and any indoor public place, as that term is defined in
34 section 3 of P.L.2005, c.383 (C.26:3D-57), or portion thereof, even
35 if the smoking of tobacco is otherwise permitted in that place or
36 portion thereof pursuant to the "New Jersey Smoke-Free Air Act";
37 except that the smoking of a cannabis item shall be permitted in a
38 cannabis consumption area as set forth in section 72 of
39 P.L. , c. (C.) (pending before the Legislature as this bill),
40 and may be permitted by the person or entity that owns or controls a
41 hotel, motel, or other lodging establishment as defined in section 1
42 of P.L.1967, c.95 (C.29:4-5) in up to 20 percent of its guest rooms.
43 The smoking of a cannabis item may also be prohibited or
44 otherwise regulated in multifamily housing that is a multiple
45 dwelling as defined in section 3 of P.L.1967, c.76 (C.55:13A-3), as
46 decided by the person or entity that owns or controls the
47 multifamily housing. Any penalties that may be assessed for the

1 smoking of tobacco where prohibited under the “New Jersey
 2 Smoke-Free Air Act” shall be applicable to the smoking of cannabis
 3 where prohibited. Concerning the consumption of any cannabis
 4 item, other than by smoking: a person or entity that owns or
 5 controls a property, except for multifamily housing that is a
 6 multiple dwelling as defined in section 3 of P.L.1967, c.76
 7 (C.55:13A-3), may prohibit or otherwise regulate the consumption
 8 of cannabis items on or in that property, including a casino hotel
 9 facility as defined in section 19 of P.L.1977, c.110 (C.5:12-19) with
 10 respect to a hotel property, a casino as defined in section 6 of
 11 P.L.1977, c.110 (C.5:12-6), or casino simulcasting facility
 12 authorized pursuant to the “Casino Simulcasting Act,” P.L.1992,
 13 c.19 (C.5:12-191 et al.); and a local governmental entity may enact
 14 an ordinance making it an unlawful act for any person 21 years of
 15 age or older to consume, other than by smoking, any cannabis item
 16 in a public place, including any indoor public place as that term is
 17 defined in section 3 of P.L.2005, c.383 (C.26:3D-57), or portion
 18 thereof, and providing a civil penalty for a violation in accordance
 19 with section 47 of P.L. , c. (C.) (pending before the
 20 Legislature as this bill)¹; and

21 d. Assisting another person who is of ¹【or over the】¹ legal age
 22 for purchasing ¹【marijuana】 cannabis¹ items in any of the acts
 23 described in subsections a. through c. of this section.

24
 25 5. (New section) Lawful Operation of ¹【Marijuana】
 26 Cannabis¹ Establishments.

27 Notwithstanding any other provision of law, the following acts
 28 are not unlawful and shall not be a criminal offense or a basis for
 29 seizure or forfeiture of assets under N.J.S.2C:64-1 et seq. or other
 30 applicable law for persons 21 years of age or older:

31 a. manufacture, possession, or purchase of ¹【marijuana】
 32 cannabis¹ paraphernalia or the sale of ¹【marijuana】 cannabis¹
 33 paraphernalia to a person who is 21 years of age or older;

34 b. possessing, displaying, or transporting ¹【marijuana】
 35 cannabis¹ items; purchase of ¹【marijuana】 cannabis¹ from a
 36 ¹【marijuana】 cannabis¹ cultivation facility; purchase of
 37 ¹【marijuana】 cannabis¹ items from a ¹【marijuana】 cannabis¹
 38 product manufacturing facility; or sale of ¹【marijuana】 cannabis¹
 39 items to consumers, if the person conducting the activities described
 40 in this subsection has obtained a current, valid license to operate as
 41 a ¹【marijuana】 cannabis¹ retailer or is acting in his capacity as an
 42 owner, employee, or agent of a licensed ¹【marijuana】 cannabis¹
 43 retailer;

44 c. cultivating, harvesting, processing, packaging, transporting,
 45 displaying, or possessing ¹【marijuana】 cannabis¹; delivery or
 46 transfer of ¹【marijuana】 cannabis¹ to a ¹【marijuana】 cannabis¹

1 testing facility; selling ¹['marijuana] cannabis¹ to a ¹['marijuana]
 2 cannabis¹ cultivation facility, a ¹['marijuana] cannabis¹ product
 3 manufacturing facility, or a ¹['marijuana] cannabis¹ retailer; or the
 4 purchase of ¹['marijuana] cannabis¹ from a ¹['marijuana] cannabis¹
 5 cultivation facility, if the person conducting the activities described
 6 in this subsection has obtained a current, valid license to operate a
 7 ¹['marijuana] cannabis¹ cultivation facility or is acting in his
 8 capacity as an owner, employee, or agent of a licensed
 9 ¹['marijuana] cannabis¹ cultivation facility;

10 d. packaging, processing, transporting, manufacturing,
 11 displaying, or possessing ¹['marijuana] cannabis¹ items; delivery or
 12 transfer of ¹['marijuana] cannabis¹ items to a ¹['marijuana]
 13 cannabis¹ testing facility; selling ¹['marijuana] cannabis¹ items to a
 14 ¹['marijuana] cannabis¹ retailer or a ¹['marijuana] cannabis¹
 15 product manufacturing facility; the purchase of ¹['marijuana]
 16 cannabis¹ from a ¹['marijuana] cannabis¹ cultivation facility; or the
 17 purchase of ¹['marijuana] cannabis¹ items from a ¹['marijuana]
 18 cannabis¹ product manufacturing facility, if the person conducting
 19 the activities described in this subsection has obtained a current,
 20 valid license to operate a ¹['marijuana] cannabis¹ product
 21 manufacturing facility or is acting in his capacity as an owner,
 22 employee, or agent of a licensed ¹['marijuana] cannabis¹ product
 23 manufacturing facility;

24 e. possessing, cultivating, processing, repackaging, storing,
 25 transporting, displaying, transferring, or delivering ¹['marijuana]
 26 cannabis¹ items if the person has obtained a current, valid license to
 27 operate a ¹['marijuana] cannabis¹ testing facility or is acting in his
 28 capacity as an owner, employee, or agent of a licensed
 29 ¹['marijuana] cannabis¹ testing facility; and

30 f. leasing or otherwise allowing the use of property owned,
 31 occupied, or controlled by any person, corporation, or other entity
 32 for any of the activities conducted lawfully in accordance with
 33 subsections a. through e. of this section.

34

35 6. (New section) Prohibition of Persons Under the Legal Age
 36 Purchasing ¹['Marijuana] Cannabis or Cannabis Resin¹.

37 a. No licensee, either directly or indirectly by an agent or
 38 employee, shall sell, offer for sale, distribute for commercial
 39 purpose at no cost or minimal cost, give, or furnish, to a person
 40 under 21 years of age, any ¹['marijuana] cannabis¹ items.

41 b. Any licensee or employee or agent of a licensee who allows
 42 a person under the age of 21 to procure ¹['marijuana] cannabis¹
 43 items ¹['is guilty of a disorderly persons offense and] which,
 44 pursuant to section 4 of P.L. , c. (C.) (pending before the
 45 Legislature as this bill) are not unlawful for persons 21 years of age

1 or older to procure for personal use.¹ shall be subject to a civil
2 penalty of not less than \$250 for the first violation; \$500 for the
3 second violation; and \$1,000 for the third and each subsequent
4 violation; in addition, subject to a hearing, a licensee's license may
5 be revoked. ¹The penalties provided for in this subsection shall be
6 recovered by a summary proceeding pursuant to the "Penalty
7 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).¹

8 c. The establishment of all of the following facts by a licensee,
9 employee, or agent, allowing any such person under the age of 21 to
10 procure ¹**["marijuana"] cannabis**¹ items shall constitute a defense to
11 any ¹**["prosecution pursuant to"] violation of**¹ the provisions of
12 subsections a. and b. of this section:

13 (1) That the purchaser of the ¹**["marijuana or marijuana product"]**
14 **cannabis item**¹ falsely represented, by producing either a United
15 States passport; driver's license or non-driver identification card
16 issued by the New Jersey Motor Vehicle Commission; a similar
17 card issued pursuant to the laws of another state; ¹or¹ United States
18 military identification card ¹**["**; or a photographic identification card
19 issued by a county clerk**"]**¹, that ¹**["he"] the person**¹ was of legal age
20 to make the purchase; ¹and¹

21 (2) ¹**["That the appearance of the purchaser was such that an**
22 **ordinary prudent person would believe him to be 21 years of age or**
23 **older, of legal age to make the purchase; and**

24 (3)¹ That the sale or distribution was made in good faith,
25 relying upon the production of the identification in paragraph (1) of
26 this subsection ¹**["**, the minor's appearance,**"]**¹ and in the reasonable
27 belief that the purchaser or recipient was actually of legal age to
28 make the purchase.

29 d. It shall be unlawful for a person under the age of 21 to
30 attempt to purchase, or acquire a ¹**["marijuana"] cannabis**¹ item, even
31 if such ¹**["marijuana"] cannabis**¹ items may be legally purchased by
32 persons at or above the legal age for purchasing ¹**["marijuana"]**
33 **cannabis**¹ items.

34 For purposes of this subsection, purchasing a ¹**["marijuana"]**
35 **cannabis**¹ item includes accepting a ¹**["marijuana"] cannabis**¹ item,
36 and acquiring a ¹**["marijuana"] cannabis**¹ item includes consuming a
37 ¹**["marijuana"] cannabis**¹ item.

38 e. It shall be unlawful for a person under the age of 21 to
39 present or offer to a ¹**["marijuana"] cannabis**¹ establishment or the
40 ¹**["marijuana"] cannabis**¹ establishment's agent or employee any
41 written or oral evidence of age ¹or other personal identifying
42 information¹ that is false, fraudulent, or not actually the person's
43 own, ¹including the use of a driver's license or other government-
44 issued form of identification in violation of section 1 of P.L.1983,
45 c.565 (C.2C:21-2.1), N.J.S.2C:21-17, section 5 of P.L.2003, c.184

1 (C.2C:21-17.2), or section 6 of P.L.1968, c.313 (C.33:1-81.7),¹ for
2 the purpose of:

3 (1) Purchasing, attempting to purchase, or otherwise procuring
4 or attempting to procure ¹**['marijuana or marijuana products]**
5 cannabis items¹; or

6 (2) Gaining access to a ¹**['marijuana]** cannabis¹ establishment.

7 f. Except as permitted by the ¹**['division]** commission¹ by rule
8 or regulation, or as necessary on an emergency basis, a person
9 under legal age for purchasing ¹**['marijuana]** cannabis¹ items may
10 not enter or attempt to enter any portion of a licensed premises that
11 is posted or otherwise identified as being prohibited to the use of
12 persons under legal age for purchasing ¹**['marijuana]** cannabis¹
13 items, unless accompanied by and supervised by a parent or legal
14 guardian.

15 g. Any person under the legal age to purchase ¹**['marijuana]**
16 cannabis,¹ who knowingly possesses without legal authority ¹**['],¹**
17 or who knowingly consumes any ¹**['marijuana]** cannabis item,¹ in
18 any school, public conveyance, public place, place of public
19 assembly, or motor vehicle, shall be ¹**['deemed and adjudged to be]**
20 guilty of¹ a ¹**['disorderly person,** and upon conviction thereof, shall
21 be punished by a fine of not less than \$500¹ violation as set forth in
22 section 1 of P.L.1979, c.264 (C.2C:33-15). Any person under the
23 legal age to purchase cannabis, who knowingly possesses without
24 legal authority or who knowingly consumes, any cannabis item on
25 private property shall be guilty of a municipal violation as set forth
26 in section 1 of P.L.2000, c.33 (C.40:48-1.2)¹.

27 h. The prohibitions of this section do not apply to a person under
28 the legal age for purchasing ¹**['marijuana]** cannabis¹ items who is
29 acting under the direction of the ¹**['division]** commission¹ or under
30 the direction of State or local law enforcement agencies for the
31 purpose of investigating possible violations of the laws prohibiting
32 ¹**['the¹** sale of ¹**['marijuana]** cannabis¹ items to persons who are under
33 the legal age for purchasing ¹**['marijuana]** cannabis¹ items.

34 i. The prohibitions of this section do not apply to a person
35 under the legal age for purchasing ¹**['marijuana]** cannabis¹ items
36 who is acting under the direction of a licensee for the purpose of
37 investigating possible violations by employees of the licensee of
38 laws prohibiting sales of ¹**['marijuana]** cannabis¹ items to persons
39 who are under the legal age for purchasing ¹**['marijuana]** cannabis¹
40 items.

41 ¹**['j.** A person under the legal age for purchasing marijuana items
42 is not in violation of this section, and is immune from prosecution
43 under this section if:

44 (1) The person contacted emergency medical services or a law
45 enforcement agency in order to obtain medical assistance for
46 another person who was in need of medical assistance because that

1 person consumed a marijuana item and the evidence of the violation
2 of this section was obtained as a result of the person's having
3 contacted emergency medical services or a law enforcement
4 agency; or

5 (2) The person was in need of medical assistance because the
6 person consumed a marijuana item and the evidence of the violation
7 of this section was obtained as a result of the person's having
8 sought or obtained the medical assistance.

9 (3) Paragraph (1) of this subsection does not exclude the use of
10 evidence obtained as a result of a person's having sought medical
11 assistance in proceedings for crimes or offenses other than a
12 violation of this section.】¹

13
14 ¹【7. (New section) There is hereby established in the
15 Department of the Treasury the Division of Marijuana
16 Enforcement.】¹

17
18 ¹7. (New section) Creation, Powers, and Duties of the Cannabis
19 Regulatory Commission.

20 The Cannabis Regulatory Commission is hereby created in, but
21 not of, the Department of the Treasury, to oversee the development,
22 regulation, and enforcement of activities associated with the
23 personal use of cannabis pursuant to P.L. , c. (C.) (pending
24 before the Legislature as this bill), and assume responsibility from
25 the Department of Health for the further development and
26 expansion, regulation, and enforcement of activities associated with
27 the medical use of cannabis pursuant to the "Jake Honig
28 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
29 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.).

30 a. (1) The commission shall consist of five members: one of
31 whom shall be the chair, appointed by the Governor with the advice
32 and consent of the Senate; two of whom shall be appointed by the
33 Governor with the advice and consent of the Senate; one of whom
34 shall be appointed by the Governor upon the recommendation of the
35 Senate President; and one of whom shall be appointed by the
36 Governor upon the recommendation of the Speaker of the General
37 Assembly. All five members shall be residents of this State. At
38 least one member shall be a State representative of a national
39 organization or State branch of a national organization with a stated
40 mission of studying, advocating, or adjudicating against minority
41 historical oppression, past and present discrimination,
42 unemployment, poverty and income inequality, and other forms of
43 social injustice or inequality, and all five members shall possess
44 education, training, or experience with legal, policy, or criminal
45 justice issues, corporate or industry management, finance,
46 securities, or production or distribution, medicine or pharmacology,
47 or public health, mental health, or substance use disorders.
48 Concerning the appointment of the initial chair and the other two

1 initial members requiring the advice and consent of the Senate, the
2 Senate shall exercise its authority within 30 days after the
3 nomination for appointment of the initial chair or another initial
4 member has been submitted to the Senate, and if no action has been
5 taken within the 30-day period, the nomination shall be deemed
6 confirmed. If the Governor does not make an initial appointment of
7 a member recommended by the Senate President or Speaker of the
8 General Assembly within 30 days of being presented with a
9 recommendation, the person so recommended may file an order to
10 show cause in Superior Court to obtain a writ of mandamus
11 compelling the Governor to appoint the person.

12 (2) The chair and the other members shall serve for terms of five
13 years; provided that for the two other members first appointed by
14 the Governor with the advice and consent of the Senate, one shall
15 be appointed for a term of four years, and one shall be appointed for
16 a term of three years. The chair and the other members shall serve
17 in their respective capacities throughout their entire term and until
18 their successors shall have been duly appointed and qualified. Any
19 vacancy in the commission occurring for any reason other than the
20 expiration of a term shall be filled for the unexpired term only in
21 the same manner as the original appointment.

22 (3) The chair and other members of the commission shall devote
23 full time to their respective duties of office and shall not pursue or
24 engage in any other business, occupation, or gainful employment.
25 Each member shall receive an annual salary to be fixed and
26 established by the Governor, which for the chair shall not exceed
27 \$141,000, and for the other members shall not exceed \$125,000.

28 (4) The members of the commission, at the commission's first
29 meeting when called by the chair, shall elect, by a majority of the
30 total authorized membership of the commission, one of the
31 members, other than the chair, to serve as vice-chair for the ensuing
32 year. A vice-chair shall thereafter be elected annually in the same
33 manner. The vice-chair shall be empowered to carry out all of the
34 responsibilities of the chair during the chair's absence,
35 disqualification, or inability to serve.

36 (5) A majority of the total authorized membership of the
37 commission shall be required to establish a quorum, and a majority
38 of the total authorized membership of the commission shall be
39 required to exercise its powers at any meeting thereof.

40 (6) The commission shall adopt annually a schedule of regular
41 meetings, and special meetings may be held at the call of the chair.

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

47 b. (1) The commission may establish, and from time to time
48 alter, a plan of organization, and employ personnel as it deems

1 necessary under the direct supervision of a full-time executive
2 director for the commission. The plan of organization shall include
3 the Office of Minority, Disabled Veterans, and Women Cannabis
4 Business Development established by section 9 of
5 P.L. , c. (C.) (pending before the Legislature as this bill).

6 (a) The executive director shall be appointed by the Governor
7 with the advice and consent of the Senate. The executive director
8 shall serve at the pleasure of the appointing Governor during the
9 Governor's term of office and until a successor has been duly
10 appointed and qualified. Any vacancy in the office occurring for
11 any reason other than the expiration of a term shall be filled for the
12 unexpired term only in the same manner as the original
13 appointment. The executive director shall receive an annual salary
14 to be fixed and established by the Governor, which shall be at an
15 amount not to exceed the annual salary of a member of the
16 commission not serving as chair, as set forth in paragraph (3) of
17 subsection a. of this section.

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

24 (ii) If, as a result of the transfer of duties and responsibilities
25 from the Department of Health to the commission in accordance
26 with P.L. , c. (C.) (pending before the Legislature as this
27 bill) and the "Jake Honig Compassionate Use Medical Cannabis
28 Act," P.L.2009, c.307 (C.24:6I-1 et al.) on or after the effective date
29 of P.L. , c. (C.) (pending before the Legislature as Senate
30 Committee Substitute for Senate Bill Nos. 10 and 2426), the
31 commission needs to employ an individual to fill a position,
32 employees of the department who performed the duties of the
33 position to be filled shall be given a one-time right of first refusal
34 offer of employment with the commission, and such employees may
35 be removed by the commission for cause or if deemed unqualified
36 to hold the position, notwithstanding any other provision of law to
37 the contrary. A department employee who becomes employed by
38 the commission shall retain as an employee of the commission the
39 seniority, and all rights related to seniority, that the employee had
40 with the department as of the last day of employment with the
41 department; provided, however, that such seniority and seniority
42 rights shall be retained only by an employee who was transferred
43 from employment with the department to employment with the
44 commission, and shall not be retained by an employee who was
45 removed from employment with the department due to layoff
46 procedures or who resigned from a position with the department
47 prior to being hired by the commission.

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

7 (3) The commission may incur additional expenses within the
8 limits of fund available to it in order to carry out its duties,
9 functions, and powers under P.L. , c. (C.) (pending before
10 the Legislature as this bill), the “Jake Honig Compassionate Use
11 Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), and
12 P.L.2015, c.158 (C.18A:40-12.22 et al.).

13 c. With respect to the activities of the commission, neither the
14 President of the Senate or Speaker of the General Assembly shall be
15 permitted to appear or practice or act in any capacity whatsoever
16 before the commission regarding any matter whatsoever, nor shall
17 any member of the immediate family of the Governor, President of
18 the Senate, or Speaker of the General Assembly be permitted to so
19 practice or appear in any capacity whatsoever before the
20 commission regarding any matter whatsoever. As used in this
21 subsection, “immediate family” means the spouse, domestic partner,
22 or partner in a civil union couple, and any dependent child or
23 stepchild, recognized by blood or by law, of the Governor,
24 President of the Senate, or Speaker of the General Assembly, or of
25 the spouse, domestic partner, or partner in a civil union couple
26 residing in the same household as the Governor, President of the
27 Senate, or Speaker of the General Assembly.¹

28
29 8. (New section) Powers and Duties of the ¹**【Division】**
30 Cannabis Regulatory Commission Concerning Personal Use of
31 Cannabis; Reporting on Commission’s Activities¹.

32 a. The ¹**【Division of Marijuana Enforcement】** Cannabis
33 Regulatory Commission¹ shall have all powers necessary or proper
34 to enable it to carry out the ¹**【division’s】** commission’s¹ duties,
35 functions, and powers under P.L. , c. (C.) (pending before the
36 Legislature as this bill). The jurisdiction, supervision, duties,
37 functions, and powers of the ¹**【division】** commission¹ extend to any
38 person who buys, sells, produces, processes, transports, or delivers
39 any ¹**【marijuana】** cannabis¹ items within this State. ¹**【The division**
40 **may sue and be sued.】**¹

41 b. The duties, functions and powers of the ¹**【division】**
42 commission¹ shall include the following:

43 (1) To regulate the purchase, sale, production, processing,
44 transportation, and delivery of ¹**【marijuana】** cannabis¹ items in
45 accordance with the provisions of P.L. , c. (C.) (pending
46 before the Legislature as this bill);

- 1 (2) To grant, refuse, suspend or cancel licenses ¹or conditional
2 licenses¹ for the sale, processing, or production of ¹**['marijuana]**
3 cannabis¹ items, or other licenses in regard to ¹**['marijuana]**
4 cannabis¹ items, and to permit, in the ¹**['division's]** commission's¹
5 discretion, the transfer of a license between persons;
- 6 (3) To investigate and aid in the prosecution of every violation
7 of the statutory laws of this State relating to ¹**['marijuana]** cannabis¹
8 items and to cooperate in the prosecution of offenders before any
9 State court of competent jurisdiction;
- 10 (4) To adopt, amend, or repeal regulations as necessary to carry
11 out the intent and provisions of P.L. , c. (C.) (pending before
12 the Legislature as this bill);
- 13 (5) To exercise all powers incidental, convenient, or necessary
14 to enable the ¹**['division]** commission¹ to administer or carry out the
15 provisions of P.L. , c. (C.) (pending before the Legislature as
16 this bill), or any other law of this State that charges the ¹**['division]**
17 commission¹ with a duty, function, or power related to
18 ¹**['marijuana]** cannabis¹. Powers described in this paragraph
19 include, but are not limited to:
- 20 (a) Issuing subpoenas;
21 (b) Compelling attendance of witnesses;
22 (c) Administering oaths;
23 (d) Certifying official acts;
24 (e) Taking depositions as provided by law;
25 (f) Compelling the production of books, payrolls, accounts,
26 papers, records, documents, and testimony; and
27 (g) Establishing fees in addition to the application, licensing,
28 and renewal fees, provided that any fee established by the
29 ¹**['division]** commission¹ is reasonably calculated not to exceed the
30 cost of the activity for which the fee is charged;
- 31 (6) To adopt rules regulating and prohibiting ¹**['marijuana]**
32 cannabis¹ growers, ¹**['marijuana]** cannabis¹ processors,
33 ¹**['marijuana]** cannabis¹ wholesalers, and ¹**['marijuana]** cannabis¹
34 retailers from advertising ¹**['marijuana]** cannabis¹ items in a manner
35 that is appealing to minors; that promotes excessive use; that
36 promotes illegal activity; or that otherwise presents a significant
37 risk to public health and safety; and
- 38 (7) To regulate the use of ¹**['marijuana]** cannabis¹ items for
39 scientific, pharmaceutical, manufacturing, mechanical, industrial,
40 and other purposes.
- 41 c. The powers of the ¹**['division]** commission¹ further include
42 the power to purchase, seize, possess, and dispose of ¹**['marijuana]**
43 cannabis¹ items. The ¹**['division]** commission¹ may purchase,
44 possess, seize, or dispose of ¹**['marijuana]** cannabis¹ items as is
45 necessary to ensure compliance with and enforcement of the
46 provisions of P.L. , c. (C.) (pending before the Legislature as

1 this bill), and any rule adopted pursuant thereto. Any State officer,
2 board, commission, corporation, institution, department, or other
3 State body, and any local officer, board, commission, institution,
4 department, or other local government body, that is permitted by the
5 statutory laws of this State to perform a duty, function, or power
6 with respect to a ¹‘[marijuana] cannabis’ item, may purchase,
7 possess, seize, or dispose of the ¹‘[marijuana] cannabis’ item as the
8 State officer, board, commission, corporation, institution,
9 department or other State body, or the local officer, board,
10 commission, institution, department, or other local government
11 body, considers necessary to ensure compliance with and enforce
12 the applicable statutory law or any rule adopted under the
13 applicable statutory law.

14 d. ¹‘[The division shall be under the immediate supervision of a
15 director. The director of the division shall be appointed by the
16 Governor, with the advice and consent of the Senate, and shall serve
17 during the term of office of the Governor appointing him and until
18 the director's successor is appointed and has qualified] (1) (a)
19 Within 180 days after the effective date of this section, which takes
20 effect immediately upon enactment of P.L. , c. (C.)
21 (pending before the Legislature as this bill), and notwithstanding
22 the provisions of the “Administrative Procedure Act,” P.L.1968,
23 c.410 (C.52:14B-1 et seq.), to the contrary, the commission, after
24 consultation with the Attorney General, State Treasurer,
25 Commissioner of Health, and Commissioner of Banking and
26 Insurance, shall, immediately upon filing proper notice with the
27 Office of Administrative Law, adopt rules and regulations prepared
28 by the commission necessary or proper to enable it to carry out the
29 commission’s duties, functions, and powers with respect to
30 overseeing the development, regulation, and enforcement of
31 activities associated with the personal use of cannabis pursuant to
32 P.L. , c. (C.), and assume responsibility from the
33 Department of Health for the further development and expansion,
34 regulation, and enforcement of activities associated with the
35 medical use of cannabis pursuant to the “Jake Honig Compassionate
36 Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and
37 P.L.2015, c.158 (C.18A:40-12.22 et al.).

38 (b) The initial rules and regulations adopted pursuant to
39 subparagraph (a) of this paragraph shall be in effect for a period not
40 to exceed one year after the date of filing with the Office of
41 Administrative Law. These rules and regulations shall thereafter be
42 adopted, amended, or readopted, and any subsequent rules and
43 regulations adopted, amended, or readopted, by the commission in
44 accordance with the requirements of the “Administrative Procedure
45 Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), after consultation with
46 other department heads, as the commission deems appropriate.

47 (2) On the date of adoption of the initial rules and regulations
48 pursuant to subparagraph (a) of paragraph (1) of this subsection, the

1 provisions of P.L. , c. (C.) (pending before the Legislature
2 as this bill) shall become operative, other than those provisions
3 which were operative immediately upon enactment, and subsequent
4 to the date of adoption the commission shall determine the first date
5 thereafter on which retail sales of personal use cannabis items may
6 occur, which latter date shall not be more than 180 days after the
7 provisions of P.L. , c. (C.) (pending before the Legislature
8 as this bill) became operative based upon the commission's
9 adoption of its initial rules and regulations. The commission shall
10 provide every alternative treatment center deemed to be licensed for
11 personal use cannabis activities pursuant to section 7 of P.L.2009,
12 c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending
13 before the Legislature as Senate Committee Substitute for Senate
14 Bill Nos. 10 and 2426), and every person or entity issued licenses or
15 conditional licenses by the commission with at least 30 days' notice
16 of the date determined to be the first date on which retail sales of
17 personal use cannabis items may occur.

18 e. (1) The commission shall biannually report to the Governor
19 and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to the
20 Legislature, regarding the commission's regulation and enforcement
21 activities associated with the personal use of cannabis pursuant to
22 P.L. , c. (C.), and the medical use of cannabis pursuant to
23 the "Jake Honig Compassionate Use Medical Cannabis Act,"
24 P.L.2009, c.307 (C.24:6I-1 et al.), and P.L.2015, c.158 (C.18A:40-
25 12.22 et al.). The biannual report shall include, but is not limited
26 to, information on:

27 (a) the number of criminal arrests or charges for obtaining or
28 possessing marijuana or hashish in violation of paragraph (4) of
29 subsection a. of N.J.S.2C:35-10, or for manufacturing, distributing,
30 or possessing or having under control with the intent to distribute
31 marijuana or hashish in violation of paragraph (12) of subsection b.
32 of N.J.S.2C:35-5, cataloged by race, ethnicity, gender, and age;

33 (b) the number of motor vehicle stops by law enforcement
34 involving violations of R.S.39:4-50, or section 5 of P.L.1990, c.103
35 (C.39:3-10.13) concerning operators of commercial motor vehicles,
36 for driving under the influence of cannabis or marijuana, or
37 suspicion thereof, cataloged by race, ethnicity, gender, and age;

38 (c) the total number of personal use cannabis licenses and
39 medical use cannabis permits issued since the distribution of the
40 previous report to the Governor and Legislature, as well as the
41 number for each class of license and permit issued, and the total
42 number and type of applicants that submitted applications for
43 licenses and permits and whether they were approved, reapproved,
44 or denied;

45 (d) the data compiled by the Office of Minority, Disabled
46 Veterans, and Women Cannabis Business Development pursuant to
47 subsection f. of section 9 of P.L. , c. (C.) (pending before
48 the Legislature as this bill) about participation in the lawful

1 operation of cannabis establishments by persons from socially and
2 economically disadvantaged communities, including minority
3 owned, disabled veterans' owned, and women's owned licensing
4 and business development in the personal use cannabis and medical
5 use cannabis marketplaces, and the data shall include the office's
6 analysis of the total number of licenses and permits applied for and
7 issued since the distribution of the previous report to the Governor
8 and Legislature compared with the total number of minority owned,
9 disabled veterans' owned, and women's owned businesses that
10 submitted applications for licenses and permits and whether they
11 were approved, reapproved, or denied; and

12 (e) the total amount of tax revenue generated by the State-level
13 taxes on personal use cannabis collected by the State pursuant to
14 section 18 of P.L. , c. (C.) (pending before the Legislature
15 as this bill), and any optional local tax thereon collected by a local
16 governmental entity pursuant to section 19 of that act (C.).

17 (2) Beginning on the third anniversary of the commission's first
18 organizational meeting called by the commission chair pursuant to
19 paragraph (4) of subsection a. of section 7 of P.L. , c. (C.)
20 (pending before the Legislature as this bill), a public research
21 university, as defined in section 3 of P.L.1994, c.48 (C.18A:3B-3),
22 designated by the Governor shall engage in a study, reviewing the
23 commission's organization, and regulation and enforcement
24 activities, with a focus on the commission's effectiveness as
25 established and operating as a full time commission pursuant to
26 P.L. , c. (C.) (pending before the Legislature as this bill)
27 and whether a better execution of the laws concerning the personal
28 use of cannabis and medical use of cannabis could be more
29 effectively managed, and more efficiently promoted through a
30 reorganization of the commission, consolidation of the commission
31 within the Department of the Treasury or another Executive Branch
32 department, change to a part-time commission, or the transfer of
33 some or all of the commission's operations elsewhere within the
34 Executive Branch, to begin on the fifth anniversary of the
35 commission's first organizational meeting. The findings of the
36 university's study shall be issued in a report, presented to the
37 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
38 19.1), to the Legislature, after which the Governor and Legislature
39 shall take any administrative and legislative action, respectively,
40 concerning the continuation, modification, or abolition of the
41 commission or its operations as recommended in the findings of the
42 study.¹

43
44 ¹9. (New section) Office of Minority, Disabled Veterans, and
45 Women Cannabis Business Development; Establishment; Powers
46 and Duties.

47 a. There is hereby established in the commission an Office of
48 Minority, Disabled Veterans, and Women Cannabis Business

1 Development. The office shall be under the immediate supervision
2 of a director. The director of the office shall be appointed by the
3 Governor, and shall serve at the pleasure of the appointing
4 Governor during the Governor's term of office and until a successor
5 has been duly appointed and qualified. Any vacancy in the office
6 occurring for any reason other than the expiration of a term shall be
7 filled for the unexpired term only in the same manner as the original
8 appointment. The director shall receive an annual salary as
9 provided by law which shall be at an amount not to exceed the
10 annual salary of the executive director of the commission.

11 b. (1) The office shall establish and administer, under the
12 direction of the commission, unified practices and procedures for
13 promoting participation in the lawful operation of cannabis
14 establishments and medical cannabis alternative treatment centers
15 by persons from socially and economically disadvantaged
16 communities, including by prospective and existing ownership of
17 minority owned and women's owned businesses, as these terms are
18 defined in section 2 of P.L.1986, c.195 (C.52:27H-21.18), and
19 disabled veterans' businesses as defined in section 2 of P.L.2015,
20 c.116 (C.52:32-31.2), to be licensed as personal use cannabis
21 establishments under P.L. , c. (C.) (pending before the
22 Legislature as this bill) or issued permits for activities concerning
23 the medical use of cannabis under the "Jake Honig Compassionate
24 Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.).
25 These unified practices and procedures shall include the
26 certification and subsequent recertification at regular intervals of a
27 business as a minority owned or women's owned business, or a
28 disabled veterans' business, in accordance with eligibility criteria
29 and a certification application process established by the
30 commission through regulation in consultation with the office.

31 (2) The office shall conduct advertising, promotional
32 campaigns, and disseminate information to the public to increase
33 awareness for participation in the lawful operation of cannabis
34 establishments and medical cannabis alternative treatment centers
35 by persons from socially and economically disadvantaged
36 communities, including by prospective and existing ownership of
37 certified minority owned and women's owned businesses, and
38 disabled veterans' businesses, concerning the qualifications and
39 application processes for licenses and permits pursuant to
40 P.L. , c. (C.) (pending before the Legislature as this bill) or
41 the "Jake Honig Compassionate Use Medical Cannabis Act,"
42 P.L.2009, c.307 (C.24:6I-1 et al.). The office shall sponsor seminars
43 and informational programs, as well as provide information on its
44 Internet website, directed toward those persons and prospective and
45 existing certified businesses which are useful to persons seeking
46 practical information on personal use cannabis or medical cannabis
47 business management, marketing, and other matters.

1 c. (1) The office shall develop, recommend, and implement
2 policies, practices, protocols, standards, and criteria designed to
3 promote the formulation and participation in the lawful operation of
4 cannabis establishments by persons from socially and economically
5 disadvantaged communities, including by prospective or existing
6 ownership of certified minority owned and women's owned
7 businesses, and disabled veterans' businesses, the effectiveness of
8 which measures shall be assessed by considering whether those
9 measures have resulted in not less than 30 percent of the total
10 number of licenses issued by the commission for personal use
11 cannabis establishments under P.L. , c. (C.) (pending before
12 the Legislature as this bill), and not less than 30 percent of the new
13 permits issued for activities concerning the medical use of cannabis
14 under the "Jake Honig Compassionate Use Medical Cannabis Act,"
15 P.L.2009, c.307 (C.24:6I-1 et al.) on or after the effective date of
16 P.L. , c. (C.) (pending before the Legislature as Senate
17 Committee Substitute for Senate Bill Nos. 10 and 2426) being
18 issued to businesses certified in accordance with the certification
19 process established by the office pursuant to paragraph (1) of
20 subsection b. of this section. Of the resulting total number of
21 licenses issued for personal use cannabis establishments and new
22 permits issued for activities concerning the medical use of cannabis,
23 the effectiveness of the office's policies, practices, protocols,
24 standards, and criteria shall be further assessed by considering
25 whether those measures have resulted in not less than 15 percent of
26 the licenses and permits being issued to certified minority owned
27 businesses, and not less than 15 percent of the licenses and permits
28 being issued to certified women's owned and disabled veterans'
29 businesses.

30 (2) The office shall periodically analyze the number of licenses
31 and permits issued by the commission and compare that analysis to
32 the number of minority owned and women's owned businesses, and
33 disabled veterans' businesses, that submitted applications for
34 licenses and permits. The office shall make good faith efforts to
35 establish, maintain, and enhance the measures designed to promote
36 the formulation and participation in the lawful operation of
37 cannabis establishments by persons from socially and economically
38 disadvantaged communities consistent with the standards set forth
39 in paragraph (1) of this subsection, and to coordinate and assist the
40 commission with respect to its incorporation of these licensing
41 measures into the application and review process for issuing
42 licenses for personal use cannabis establishments under
43 P.L. , c. (C.) (pending before the Legislature as this bill),
44 and for issuing permits for activities concerning the medical use of
45 cannabis under the "Jake Honig Compassionate Use Medical
46 Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) on or after the
47 effective date of P.L. , c. (C.) (pending before the
48 Legislature as Senate Committee Substitute for Senate Bill Nos. 10

1 and 2426), as set forth in paragraph (4) of subsection a. of section
2 16 of P.L. , c. (C.) (pending before the Legislature as this
3 bill).

4 d. The office may review the commission's measures regarding
5 participation in the lawful operation of cannabis establishments by
6 persons from socially and economically disadvantaged
7 communities, minority owned and minority owned and women's
8 owned businesses, and disabled-veteran's businesses, and make
9 recommendations for the improvement thereof. The office may
10 consult with experts or other knowledgeable individuals in the
11 public or private sector on any aspect of its mission.

12 e. The office shall make recommendations to the commission on
13 relevant policy and implementation matters concerning participation
14 in the lawful operation of cannabis establishments by persons from
15 socially and economically disadvantaged communities, including by
16 prospective or existing ownership of minority owned and women's
17 owned businesses, and disabled veterans' businesses, as the office
18 deems appropriate.

19 f. The office shall prepare information regarding its activities
20 pursuant to this section addressing participation in the lawful
21 operation of cannabis establishments by persons from socially and
22 economically disadvantaged communities, including by minority
23 owned and women's owned business development, and disabled
24 veterans' business development, in the retail cannabis and medical
25 cannabis marketplaces to be incorporated by the commission in its
26 biannual report to the Governor and the Legislature pursuant to
27 subsection e. of section 8 of P.L. , c. (C.) (pending before
28 the Legislature as this bill).¹

29
30 ¹10. (New section) Pre-Interest or Pre-Employment Restrictions
31 on Cannabis Regulatory Commission Members and Employees.

32 a. No person shall be appointed to or employed by the
33 commission if, during the period commencing three years prior to
34 appointment or employment, the person held any direct or indirect
35 interest in, or any employment by, any holder of, or applicant for, a
36 cannabis license or permit pursuant to P.L. , c. (C.)
37 (pending before the Legislature as this bill), or the "Jake Honig
38 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
39 (C.24:6I-1 et al.), or which is an entity that employs or uses a
40 certified cannabis handler to perform work for or on behalf of a
41 licensed cannabis establishment; provided, however, that
42 notwithstanding any other provision of P.L. , c. (C.)
43 (pending before the Legislature as this bill) to the contrary, any
44 such person may be appointed to or employed by the commission if
45 the person's prior interest in any such license or permit holder,
46 applicant, or entity involving a certified cannabis handler would
47 not, in the opinion of the commission, interfere with the objective
48 discharge of the person's obligations of appointment or

1 employment, but in no instance shall any person be appointed to or
2 employed by the commission if the person's prior interest in such
3 license or permit holder, applicant, or entity involving a certified
4 cannabis handler constituted a controlling interest in that license or
5 permit holder, or entity; and provided further, however, that
6 notwithstanding any other provision of P.L. _____, c. _____ (C. _____)
7 (pending before the Legislature as this bill) to the contrary, any
8 such person may be employed by the commission in a secretarial or
9 clerical position if, in the opinion of the commission, the person's
10 previous employment by, or interest in, any license or permit
11 holder, or entity involving a certified cannabis handler, would not
12 interfere with the objective discharge of the person's employment
13 obligations.

14 b. Prior to appointment or employment, each member of the
15 commission and each employee of the commission shall swear or
16 affirm that he possesses no interest in any business or organization
17 issued a license or permit by the commission, or interest in any
18 business or organization that employs or uses a certified cannabis
19 handler to perform work for or on behalf of a licensed cannabis
20 establishment.

21 c. (1) Each member of the commission shall file with the State
22 Ethics Commission a financial disclosure statement listing all assets
23 and liabilities, property and business interests, and sources of
24 income of the member and the member's spouse, domestic partner,
25 or partner in a civil union couple, as the case may be, and shall also
26 provide to the State Ethics Commission in the same financial
27 disclosure statement a listing all assets and liabilities, property and
28 business interests, and sources of income of each dependent child or
29 stepchild, recognized by blood or by law, of the member, or of the
30 spouse, domestic partner, or partner in a civil union couple residing
31 in the same household as the member. Each statement shall be
32 under oath and shall be filed at the time of appointment and
33 annually thereafter.

34 (2) Each employee of the commission, except for secretarial and
35 clerical personnel, shall file with the State Ethics Commission a
36 financial disclosure statement listing all assets and liabilities,
37 property and business interests, and sources of income of the
38 employee and the employee's spouse, domestic partner, or partner in
39 a civil union couple, as the case may be. Such statement shall be
40 under oath and shall be filed at the time of employment and
41 annually thereafter. Notwithstanding the provisions of subsection
42 (n) of section 10 of P.L.1971, c.182 (C.52:13D-21), only financial
43 disclosure statements filed by a commission employee who is in a
44 policy-making management position shall be posted on the Internet
45 site of the State Ethics Commission.¹

46
47 ¹11. (New section) Restrictions on Cannabis Regulatory
48 Commission Members and Employees.

- 1 a. The “New Jersey Conflicts of Interest Law,” P.L.1971, c.182
2 (C.52:13D-12 et seq.) shall apply to members of the commission
3 and to all employees of the commission, except as herein
4 specifically provided.
- 5 b. (1) The commission shall promulgate and maintain a Code
6 of Ethics that is modeled upon the Code of Judicial Conduct of the
7 American Bar Association, as amended and adopted by the Supreme
8 Court of New Jersey.
- 9 (2) The Codes of Ethics promulgated and maintained by the
10 commission shall not be in conflict with the laws of this State,
11 except, however, that the Code of Ethics may be more restrictive
12 than any law of this State.
- 13 c. The Codes of Ethics promulgated and maintained by the
14 commission, and any amendments or restatements thereof, shall be
15 submitted to the State Ethics Commission for approval. The Codes
16 of Ethics shall include, but not be limited to, provisions that:
- 17 (1) No commission member or employee shall be permitted to
18 enter and engage in any activities, nor have any interest, directly or
19 indirectly, in any cannabis grower, cannabis processor, cannabis
20 wholesaler, or cannabis retailer issued its license by the commission
21 in accordance with P.L. , c. (C.) (pending before the
22 Legislature as this bill), or any alternative treatment center issued
23 its permit by the commission in accordance with the “Jake Honig
24 Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
25 (C.24:6I-1 et al.), except in the course of the member’s or
26 employee’s duties.
- 27 (2) No commission member or employee shall solicit or accept
28 employment from any personal use cannabis license holder or
29 medical cannabis permit holder, or from any applicant for a license
30 or permit, or any entity that employs or uses a certified cannabis
31 handler to perform work for or on behalf of a licensed cannabis
32 establishment, for a period of two years after termination of service
33 with the commission, except as otherwise provided in section 12 of
34 P.L. , c. (C.) (pending before the Legislature as this bill).
- 35 (3) No commission member or employee shall act in the
36 member’s or employee’s official capacity in any matter wherein the
37 member, employee, or the member’s or employee’s spouse,
38 domestic partner, or partner in a civil union couple, or child, parent,
39 or sibling has a direct or indirect personal financial interest that
40 might reasonably be expected to impair the member’s or
41 employee’s objectivity or independence of judgment.
- 42 (4) No commission member or employee shall act in the
43 member’s or employee’s official capacity in a matter concerning
44 any personal use cannabis license holder or medical cannabis permit
45 holder, or any applicant for a license or permit, or any entity that
46 employs or uses a certified cannabis handler to perform work for or
47 on behalf of a licensed cannabis establishment, and who is the
48 employer of a spouse, domestic partner, or partner in a civil union

1 couple, or child, parent, or sibling of the commission member or
2 employee when the fact of the employment of the spouse, domestic
3 partner, or partner in a civil union couple, or child, parent, or
4 sibling might reasonably be expected to impair the objectivity and
5 independence of judgment of the commission member or employee.

6 (5) No spouse, domestic partner, or partner in a civil union
7 couple, or child, parent, or sibling of a commission member shall be
8 employed in any capacity by any personal use cannabis license
9 holder or medical cannabis permit holder, or any applicant for a
10 license or permit, or any entity that employs or uses a certified
11 cannabis handler to perform work for or on behalf of a licensed
12 cannabis establishment, nor by any holding, intermediary, or
13 subsidiary company thereof.

14 (6) No commission member shall meet with any person, except
15 for any other member of the commission or employee of the
16 commission, or discuss any issues involving any pending or
17 proposed application or any matter whatsoever which may
18 reasonably be expected to come before the commission, or any
19 member thereof, for determination unless the meeting or discussion
20 takes place on the business premises of the commission, provided,
21 however, that commission members may meet to consider matters
22 requiring the physical inspection of equipment or premises at the
23 location of the equipment or premises. All meetings or discussions
24 subject to this paragraph shall be noted in a log maintained for this
25 purpose and available for inspection pursuant to the provisions of
26 P.L.1963, c.73 (C.47:1A-1 et seq.).

27 d. No commission member or employee shall have any interest,
28 direct or indirect, in any personal use cannabis license holder or
29 medical cannabis permit holder, or any applicant for a license or
30 permit, or any entity that employs or uses a certified cannabis
31 handler to perform work for or on behalf of a licensed cannabis
32 establishment, during the member's term of office or employee's
33 term of employment.

34 e. Each commission member and employee shall devote his
35 entire time and attention to his duties and shall not pursue any other
36 business or occupation or other gainful employment; provided,
37 however, that secretarial and clerical personnel may engage in such
38 other gainful employment as shall not interfere with their duties to
39 the commission, unless otherwise directed; and provided further,
40 however, that other employees of the commission may engage in
41 such other gainful employment as shall not interfere or be in
42 conflict with their duties to the commission or division, upon
43 approval by the commission, as the case may be.

44 f. (1) A member of the commission and the executive director
45 or any other employee of the commission holding a supervisory or
46 policy-making management position shall not make any
47 contribution as that term is defined in "The New Jersey Campaign

1 Contributions and Expenditures Reporting Act,” P.L.1973, c.83
2 (C.19:44A-1 et seq.).

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

4 (a) Use the member’s or employee’s official authority or
5 influence for the purpose of interfering with or affecting the result
6 of an election or a nomination for office;

7 (b) Directly or indirectly coerce, attempt to coerce, command or
8 advise any person to pay, lend, or contribute anything of value to a
9 party, committee, organization, agency or person for political
10 purposes; or

11 (c) Take any active part in political campaigns or the
12 management thereof; provided, however, that nothing herein shall
13 prohibit a member or employee from voting as the member or
14 employee chooses or from expressing personal opinions on political
15 subjects and candidates.

16 g. For the purpose of applying the provisions of the “New
17 Jersey Conflicts of Interest Law,” any consultant or other person
18 under contract for services to the commission shall be deemed to be
19 a special State employee, except that the restrictions of section 4 of
20 P.L.1981, c.142 (C.52:13D-17.2) shall not apply to such person.
21 Such person and any corporation, firm, or partnership in which the
22 person has an interest or by which the person is employed shall not
23 represent any person or party other than the commission.¹

24
25 ¹12. (New section) Post-Service Restrictions on Cannabis
26 Regulatory Commission Members and Employees.

27 a. No member of the commission shall hold any direct or
28 indirect interest in, or be employed by, any holder of, or applicant
29 for, a personal use cannabis license or medical cannabis permit
30 pursuant to P.L. , c. (C.) (pending before the Legislature as
31 this bill), or the “Jake Honig Compassionate Use Medical Cannabis
32 Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or which is an entity that
33 employs or uses a certified cannabis handler to perform work for or
34 on behalf of a licensed cannabis establishment, for a period of two
35 years commencing on the date that membership on the commission
36 terminates.

37 b. (1) No employee of the commission may acquire any direct
38 or indirect interest in, or accept employment with, any personal use
39 cannabis license holder or medical cannabis permit holder, or any
40 applicant for a license or permit, or any entity that employs or uses
41 a certified cannabis handler to perform work for or on behalf of a
42 licensed cannabis establishment, for a period of two years
43 commencing at the termination of employment with the
44 commission, except that a secretarial or clerical employee of the
45 commission may accept such employment at any time after the
46 termination of employment with the commission. At the end of two
47 years and for a period of two years thereafter, a former employee
48 who held a policy-making management position at any time during

1 the five years prior to termination of employment may acquire an
2 interest in, or accept employment with, any personal use cannabis
3 license holder or medical cannabis permit holder, or any applicant
4 for a license or permit, or any entity that employs or uses a certified
5 cannabis handler to perform work for or on behalf of a licensed
6 cannabis establishment, upon application to, and the approval of,
7 the commission, upon a finding that the interest to be acquired or
8 the employment will not create the appearance of a conflict of
9 interest and does not evidence a conflict of interest in fact.

10 (2) Notwithstanding the provisions of this subsection, if the
11 employment of a commission employee, other than an employee
12 who held a policy-making management position at any time during
13 the five years prior to termination of employment, is terminated as a
14 result of a reduction in the workforce at the commission, the
15 employee may, at any time prior to the end of the two-year period,
16 accept employment with any personal use cannabis license holder
17 or medical cannabis permit holder, or any applicant for a license or
18 permit, or any entity that employs or uses a certified cannabis
19 handler to perform work for or on behalf of a licensed cannabis
20 establishment, upon application to, and the approval of, the
21 commission, upon a finding that the employment will not create the
22 appearance of a conflict of interest and does not evidence a conflict
23 of interest in fact. The commission shall take action on an
24 application within 30 days of receipt and an application may be
25 submitted to the commission prior to or after the commencement of
26 the employment.

27 c. No commission member or employee shall represent any
28 person or party other than the State before or against the
29 commission for a period of two years from the termination of office
30 or employment with the commission.

31 d. No partnership, firm, or corporation in which a former
32 commission member or employee has an interest, nor any partner,
33 officer, or employee of any such partnership, firm, or corporation
34 shall make any appearance or representation which is prohibited to
35 the former member or employee.¹

36
37 ¹13. (New section) Liability For Interest, Employment, and
38 Ethics Violations By Applicant for Cannabis License or Permit,
39 License or Permit Holder, and Cannabis Regulatory Commission
40 Members and Employees; Enforcement by State Ethics
41 Commission.

42 a. (1) No holder of, or applicant for, a personal use cannabis
43 license or medical cannabis permit pursuant to P.L. , c. (C.)
44 (pending before the Legislature as this bill), or the “Jake Honig
45 Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
46 (C.24:6I-1 et al.), or entity that employs or uses a certified cannabis
47 handler to perform work for or on behalf of a licensed cannabis
48 establishment shall employ or offer to employ, or provide, transfer,

1 or sell, or offer to provide, transfer, or sell any interest, direct or
2 indirect, in any personal use cannabis license holder or medical
3 cannabis permit holder to any person restricted from such
4 transactions by the provisions of sections 10 through 12 of
5 P.L. , c. (C.) (pending before the Legislature as this bill).

6 (2) The commission may deny an application, or revoke or
7 suspend a license or permit holder's license or permit, for
8 committing a violation of this subsection, as well as impose a civil
9 penalty of not less than \$500 nor more than \$10,000, which penalty
10 may be collected in a summary proceeding pursuant to the "Penalty
11 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

12 b. (1) A member or employee of the commission who makes or
13 causes to be made a political contribution prohibited under
14 subsection f. of section 11 of P.L. , c. (C.) (pending before
15 the Legislature as this bill) is guilty of a crime of the fourth degree,
16 but notwithstanding the provisions of subsection b. of N.J.S.2C:43-
17 3, a fine not to exceed \$200,000 may be imposed.

18 (2) A member or employee of the commission who willfully
19 violates any other provisions in sections 10 through 12 of
20 P.L. , c. (C.) (pending before the Legislature as this bill) is
21 guilty of a disorderly persons offense.

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

35
36 ¹14. Section 2 of P.L.1971, c.182 (C.52:13D-13) is amended to
37 read as follows:

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

41 a. "State agency" means any of the principal departments in the
42 Executive Branch of the State Government, and any division, board,
43 bureau, office, commission or other instrumentality within or
44 created by such department, the Legislature of the State and any
45 office, board, bureau or commission within or created by the
46 Legislative Branch, and, to the extent consistent with law, any
47 interstate agency to which New Jersey is a party and any
48 independent State authority, commission, instrumentality or agency.

1 A county or municipality shall not be deemed an agency or
2 instrumentality of the State.

3 b. "State officer or employee" means any person, other than a
4 special State officer or employee (1) holding an office or
5 employment in a State agency, excluding an interstate agency, other
6 than a member of the Legislature or (2) appointed as a New Jersey
7 member to an interstate agency.

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

10 d. "Head of a State agency" means (1) in the case of the
11 Executive Branch of government, except with respect to interstate
12 agencies, the department head or, if the agency is not assigned to a
13 department, the Governor, and (2) in the case of the Legislative
14 Branch, the chief presiding officer of each House of the Legislature.

15 e. "Special State officer or employee" means (1) any person
16 holding an office or employment in a State agency, excluding an
17 interstate agency, for which office or employment no compensation
18 is authorized or provided by law, or no compensation other than a
19 sum in reimbursement of expenses, whether payable per diem or per
20 annum, is authorized or provided by law; (2) any person, not a
21 member of the Legislature, holding a part-time elective or
22 appointive office or employment in a State agency, excluding an
23 interstate agency, or (3) any person appointed as a New Jersey
24 member to an interstate agency the duties of which membership are
25 not full-time.

26 f. "Person" means any natural person, association or
27 corporation.

28 g. "Interest" means (1) the ownership or control of more than
29 **【10%】** 10 percent of the profits or assets of a firm, association, or
30 partnership, or more than **【10%】** 10 percent of the stock in a
31 corporation for profit other than a professional service corporation
32 organized under the "Professional Service Corporation Act,"
33 P.L. 1969, c. 232 (C. 14A:17-1 et seq.); or (2) the ownership or
34 control of more than **【1%】** one percent of the profits of a firm,
35 association, or partnership, or more than **【1%】** one percent of the
36 stock in any corporation, (a) which is the holder of, or an applicant
37 for, a casino license or in any holding or intermediary company
38 with respect thereto, as defined by the "Casino Control Act,"
39 P.L. 1977, c. 110 (C. 5:12-1 et seq.), or (b) which is the holder of,
40 or an applicant for, a license concerning the personal use of
41 cannabis or a permit concerning the medical use of cannabis, issued
42 pursuant to the "New Jersey Cannabis Regulatory and Expungement
43 Aid Modernization Act," P.L. , c. (C.) (pending before the
44 Legislature as this bill), or the "Jake Honig Compassionate Use
45 Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), or any
46 holding or intermediary company with respect thereto, or (c) which
47 is an entity that employs or uses a certified cannabis handler to
48 perform work for or on behalf of a licensed cannabis establishment,

1 or any holding or intermediary company with respect to that entity.

2 The provisions of this act governing the conduct of individuals are
3 applicable to shareholders, associates or professional employees of
4 a professional service corporation regardless of the extent or
5 amount of their shareholder interest in such a corporation.

6 h. "Cause, proceeding, application or other matter" means a
7 specific cause, proceeding or matter and does not mean or include
8 determinations of general applicability or the preparation or review
9 of legislation which is no longer pending before the Legislature or
10 the Governor.

11 i. "Member of the immediate family" of any person means the
12 person's spouse, domestic partner, partner in a civil union couple,
13 child, parent or sibling residing in the same household.¹
14 (cf: P.L.1987, c.432, s.2)

15

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

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

19 (1) any State officer or employee subject to financial disclosure
20 by law or executive order and any other State officer or employee
21 with responsibility for matters affecting casino activity, or personal
22 use cannabis or medical cannabis activity subject to the "New
23 Jersey Cannabis Regulatory and Expungement Aid Modernization
24 Act," P.L. , c. (C.) (pending before the Legislature as this
25 bill) or the "Jake Honig Compassionate Use Medical Cannabis
26 Act," P.L.2009, c.307 (C.24:6I-1 et al.); any special State officer or
27 employee with responsibility for matters affecting casino activity,
28 or personal use cannabis or medical cannabis activity subject to the
29 "New Jersey Cannabis Regulatory and Expungement Aid
30 Modernization Act," P.L. , c. (C.) (pending before the
31 Legislature as this bill) or the "Jake Honig Compassionate Use
32 Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.); the
33 Governor; [any member of the Legislature or] the President of the
34 Senate; the Speaker of the General Assembly; any full-time member
35 of the Judiciary; any full-time professional employee of the Office
36 of the Governor, or the Legislature; members of the Casino
37 Reinvestment Development Authority; members of the Cannabis
38 Regulatory Commission; the head of a principal department; the
39 assistant or deputy heads of a principal department, including all
40 assistant and deputy commissioners; the head of any division of a
41 principal department; or

42 (2) (a) any member of the governing body, or the municipal
43 judge or the municipal attorney of a municipality wherein a casino
44 is located; any member of or attorney for the planning board or
45 zoning board of adjustment of a municipality wherein a casino is
46 located, or any professional planner, or consultant regularly
47 employed or retained by such planning board or zoning board of
48 adjustment;

1 (b) any member of the governing body, or the municipal judge
2 or the municipal attorney of a municipality wherein a cannabis
3 grower, cannabis processor, cannabis wholesaler, or cannabis
4 retailer, issued its license in accordance with the “New Jersey
5 Cannabis Regulatory and Expungement Aid Act,”
6 P.L. , c. (C.) (pending before the Legislature as this bill), is
7 located, or wherein an alternative treatment center, issued its permit
8 in accordance with the “Jake Honig Compassionate Use Medical
9 Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or deemed to be
10 licensed for personal use cannabis activities pursuant to section 7 of
11 P.L.2009, c.307 (C.24:6I-7), or otherwise issued a license therefor
12 by the commission in accordance with the “New Jersey Cannabis
13 Regulatory and Expungement Aid Modernization Act,” is located.

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

1 represent, appear for, or negotiate on behalf of, **his** that employer,
2 except as otherwise prohibited by law.

3 (2) No State officer or employee, nor any person, nor any
4 member of the immediate family of any State officer or employee,
5 or person, nor any partnership, firm or corporation with which any
6 such State officer or employee or person is associated or in which
7 he has an interest, nor any partner, officer, director or employee
8 while he is associated with such partnership, firm, or corporation,
9 shall hold, directly or indirectly, an interest in, or hold employment
10 with, or represent, appear for, or negotiate on behalf of, or derive
11 any remuneration, payment, benefit or any other thing of value for
12 any services, including but not limited to consulting or similar
13 services, from any holder of, or applicant for, a license, permit, or
14 other approval to conduct Internet gaming, or any holding or
15 intermediary company with respect thereto, or any Internet gaming
16 affiliate of any holder of, or applicant for, a casino license, or any
17 holding or intermediary company with respect thereto, or any
18 business, association, enterprise or other entity that is organized, in
19 whole or in part, for the purpose of promoting, advocating for, or
20 advancing the interests of the Internet gaming industry generally or
21 any Internet gaming-related business or businesses in connection
22 with any cause, application, or matter, except as provided in section
23 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that **(1)** (a) a
24 State officer or employee other than a State officer or employee
25 included in the definition of person, and **(2)** (b) a member of the
26 immediate family of a State officer or employee, or of a person,
27 may hold employment with the holder of, or applicant for, a license,
28 permit, or other approval to conduct Internet gaming, or any
29 holding or intermediary company with respect thereto, or any
30 Internet gaming affiliate of any holder of, or applicant for, a casino
31 license, or any holding or intermediary company with respect
32 thereto if, in the judgment of the State Ethics Commission, the Joint
33 Legislative Committee on Ethical Standards, or the Supreme Court,
34 as appropriate, such employment will not interfere with the
35 responsibilities of the State officer or employee, or person, and will
36 not create a conflict of interest, or reasonable risk of the public
37 perception of a conflict of interest, on the part of the State officer or
38 employee, or person.

39 (3) No State officer or employee, nor any person, nor any
40 member of the immediate family of any State officer or employee,
41 or person, nor any partnership, firm or corporation with which any
42 such State officer or employee or person is associated or in which
43 he has an interest, nor any partner, officer, director or employee
44 while he is associated with such partnership, firm, or corporation,
45 shall hold, directly or indirectly, an interest in, or hold employment
46 with, or represent, appear for, or negotiate on behalf of, any holder
47 of, or applicant for, a license concerning the personal use of
48 cannabis or a permit concerning the medical use of cannabis, issued

1 pursuant to the “New Jersey Cannabis Regulatory and Expungement
2 Aid Modernization Act,” P.L. , c. (C.) (pending before the
3 Legislature as this bill), or the “Jake Honig Compassionate Use
4 Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or any
5 holding or intermediary company with respect thereto, or which is
6 an entity that employs or uses a certified cannabis handler to
7 perform work for or on behalf of a licensed cannabis establishment,
8 in connection with any cause, application, or matter, except as
9 provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except
10 that (a) a State officer or employee other than a State officer or
11 employee included in the definition of person, and (b) a member of
12 the immediate family of a State officer or employee, or of a person,
13 may hold employment with the holder of, or applicant for, a
14 personal use cannabis license or medical cannabis permit, or an
15 entity that employs or uses a certified cannabis handler if, in the
16 judgment of the State Ethics Commission, the Joint Legislative
17 Committee on Ethical Standards, or the Supreme Court, as
18 appropriate, such employment will not interfere with the
19 responsibilities of the State officer or employee, or person, and will
20 not create a conflict of interest, or reasonable risk of the public
21 perception of a conflict of interest, on the part of the State officer or
22 employee, or person. No special State officer or employee without
23 responsibility for matters affecting personal use cannabis or medical
24 cannabis activity, excluding those serving in the Departments of
25 Education, Health, and Human Services and the Commission on
26 Higher Education, shall hold, directly or indirectly, an interest in, or
27 represent, appear for, or negotiate on behalf of, any holder of, or
28 applicant for, a personal use cannabis license or medical cannabis
29 permit, or any holding or intermediary company with respect
30 thereto, or an entity that employs or uses a certified cannabis
31 handler in connection with any cause, application, or matter.
32 However, a special State officer or employee without responsibility
33 for matters affecting personal use cannabis or medical cannabis
34 activity may hold employment directly with any holder of or
35 applicant for a personal use cannabis license or medical cannabis
36 permit, or any holding or intermediary company thereof, or an
37 entity that employs or uses a certified cannabis handler, and if so
38 employed may hold, directly or indirectly, an interest in, or
39 represent, appear for, or negotiate on behalf of, that employer,
40 except as otherwise prohibited by law.

41 c. No person or any member of his immediate family, nor any
42 partnership, firm or corporation with which such person is
43 associated or in which he has an interest, nor any partner, officer,
44 director or employee while he is associated with such partnership,
45 firm or corporation, shall, within two years next subsequent to the
46 termination of the office or employment of such person, hold,
47 directly or indirectly, an interest in, or hold employment with, or
48 represent, appear for or negotiate on behalf of, any holder of, or

1 applicant for, a casino license, or any holder of, or applicant for, a
2 license concerning the personal use of cannabis or a permit
3 concerning the medical use of cannabis, issued pursuant to the
4 “New Jersey Cannabis Regulatory and Expungement Aid
5 Modernization Act,” P.L. , c. (C.) (pending before the
6 Legislature as this bill), or the “Jake Honig Compassionate Use
7 Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or any
8 holding or intermediary company with respect thereto, or any entity
9 that employs or uses a certified cannabis handler to perform work
10 for or on behalf of a licensed cannabis establishment, in connection
11 with any cause, application or matter, or any holding or
12 intermediary company with respect to such holder of, or applicant
13 for, a casino license, personal use cannabis license, or medical
14 cannabis permit, in connection with any phase of [casino]
15 development, permitting, licensure or any other matter whatsoever
16 related to casino, personal use cannabis, or medical cannabis
17 activity, except as provided in section 3 of P.L.2009, c.26
18 (C.52:13D-17.3), and except that:

19 (1) a member of the immediate family of a person may hold
20 employment with the holder of, or applicant for, a casino license, or
21 the holder of, or applicant for, a license concerning the personal use
22 of cannabis or a permit concerning the medical use of cannabis,
23 issued pursuant to the “New Jersey Cannabis Regulatory and
24 Expungement Aid Modernization Act,” P.L. , c. (C.)
25 (pending before the Legislature as this bill), or the “Jake Honig
26 Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
27 (C.24:6I-1 et al.), or any entity that employs or uses a certified
28 cannabis handler if, in the judgment of the State Ethics
29 Commission, the Joint Legislative Committee on Ethical Standards,
30 or the Supreme Court, as appropriate, such employment will not
31 interfere with the responsibilities of the person and will not create a
32 conflict of interest, or reasonable risk of the public perception of a
33 conflict of interest, on the part of the person;

34 (2) (a) an employee who is terminated as a result of a reduction
35 in the workforce at the agency where employed, other than an
36 employee who held a policy-making management position at any
37 time during the five years prior to termination of employment, may,
38 at any time prior to the end of the two-year period, accept
39 employment with the holder of, or applicant for, a casino license,
40 personal use cannabis license, or medical cannabis permit, or with
41 an entity that employs or uses a certified cannabis handler if, in the
42 judgment of the State Ethics Commission, the Joint Legislative
43 Committee on Ethical Standards, or the Supreme Court, as
44 appropriate, such employment will not create a conflict of interest,
45 or reasonable risk of the public perception of a conflict of interest,
46 on the part of the employee. In no case shall the restrictions of this
47 subsection apply to a secretarial or clerical employee.

1 (b) (i) Nothing herein contained shall alter or amend the post-
2 employment restrictions applicable to members and employees of
3 the Casino Control Commission and employees and agents of the
4 Division of Gaming Enforcement pursuant to paragraph (2) of
5 subsection e. **[(2)]** of section 59 and to section 60 of P.L.1977,
6 c.110 (C.5:12-59 and C.5:12-60); **[and]**

7 (ii) Nothing herein contained shall alter or amend the post-
8 service or post-employment restrictions applicable to members and
9 employees of the Cannabis Regulatory Commission pursuant to
10 paragraph (2) of subsection c. of section 11 and to section 12 of
11 P.L. , c. (C.) (pending before the Legislature as this bill);
12 and

13 (3) any partnership, firm or corporation engaged in the practice
14 of law or in providing any other professional services with which
15 any person included in paragraph (1) of subsection a. of this
16 section, or a member of the immediate family of that person, is
17 associated, and any partner, officer, director or employee thereof,
18 other than that person, or immediate family member, may represent,
19 appear for or negotiate on behalf of any holder of, or applicant for,
20 a casino license, personal use cannabis license, or medical cannabis
21 permit, or any entity that employs or uses a certified cannabis
22 handler in connection with any cause, application or matter or any
23 holding company or intermediary company with respect to such
24 holder of, or applicant for, a casino license, personal use cannabis
25 license, or medical cannabis permit, or entity, in connection with
26 any phase of **[casino]** development, permitting, licensure or any
27 other matter whatsoever related to casino or cannabis or medical
28 marijuana activity, and that person or immediate family member
29 shall not be barred from association with such partnership, firm or
30 corporation, if for a period of two years next subsequent to the
31 termination of the person's office or employment, the person or
32 immediate family member (a) is screened from personal
33 participation in any such representation, appearance or negotiation;
34 and (b) is associated with the partnership, firm or corporation in a
35 position which does not entail any equity interest in the partnership,
36 firm or corporation. The exception provided in this paragraph shall
37 not apply to a former Governor, Lieutenant Governor, Attorney
38 General, member of the Legislature, person included in paragraph
39 (2) of subsection a. of this section, or to the members of their
40 immediate families.

41 d. This section shall not apply to the spouse of a State officer
42 or employee, which State officer or employee is without
43 responsibility for matters affecting casino, personal use cannabis, or
44 medical cannabis activity, who becomes the spouse subsequent to
45 the State officer's or employee's appointment or employment as a
46 State officer or employee and who is not individually or directly
47 employed by a holder of, or applicant for, a casino license, personal
48 use cannabis license, or medical cannabis permit, or any entity that

1 employs or uses a certified cannabis handler, or any holding or
2 intermediary company thereof.

3 e. The Joint Legislative Committee on Ethical Standards and
4 the State Ethics Commission, as appropriate, shall forthwith
5 determine and publish, and periodically update, a list of those
6 positions in State government with responsibility for matters
7 affecting casino, personal use cannabis, and medical cannabis
8 activity.

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

14 (2) No person shall solicit or accept, directly or indirectly, any
15 complimentary service or discount from any holder of, or applicant
16 for, a license concerning the personal use of cannabis or a permit
17 concerning the medical use of cannabis, issued pursuant to the
18 “New Jersey Cannabis Regulatory and Expungement Aid
19 Modernization Act,” P.L. , c. (C.) (pending before the
20 Legislature as this bill), or the “Jake Honig Compassionate Use
21 Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or any
22 entity that employs or uses a certified cannabis handler to perform
23 work for or on behalf of a licensed cannabis establishment, which
24 the person knows or has reason to know is other than a service or
25 discount that is offered to members of the general public in like
26 circumstance.

27 g. No person shall influence, or attempt to influence, by use of
28 his official authority, the decision of the **【commission】** Casino
29 Control Commission or the investigation of the **【division】** Division
30 of Gaming Enforcement in any application for casino licensure, or
31 the decision of the Cannabis Regulatory Commission in any
32 application for a personal use cannabis license or medical cannabis
33 permit, or in any proceeding to enforce the provisions of this act or
34 the regulations of **【the】** either commission. Any such attempt shall
35 be promptly reported to the Attorney General; provided, however,
36 that nothing in this section shall be deemed to proscribe a request
37 for information by any person concerning the status of any
38 application for licensure or permitting, or any proceeding to enforce
39 the provisions of this act or the regulations of **【the】** either
40 commission.

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

44 In addition, for violations of subsection c. of this section
45 occurring after the effective date of P.L.2005, c.382, a civil penalty
46 of not less than \$500 nor more than \$10,000 shall be imposed upon
47 a former State officer or employee or former special State officer or
48 employee of a State agency in the Executive Branch upon a finding

1 of a violation by the State Ethics Commission, which penalty may
 2 be collected in a summary proceeding pursuant to the "Penalty
 3 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).¹
 4 (cf: P.L.2013, c.27, s.35)

5
 6 ¹**[9.] 16.**¹ (New section) Regulation of ¹**[Marijuana] Cannabis**¹.

7 a. ¹**[No later than 150 days after the effective date of**
 8 P.L. , c. (C.) (pending before the Legislature as this bill),
 9 the division] The commission¹ shall adopt ¹rules and regulations¹,
 10 pursuant to ¹**[the "Administrative Procedure Act," P.L.1968, c.410**
 11 (C.52:14B-1 et seq.), rules and regulations necessary for
 12 implementation of] subsection d. of section 8 of¹
 13 P.L. , c. (C.) (pending before the Legislature as this bill),
 14 which shall be consistent with the intent of P.L. , c. (C.)
 15 (pending before the Legislature as this bill). Such regulations shall
 16 not prohibit the operation of ¹**[marijuana] cannabis**¹
 17 establishments, either expressly or through regulations that make
 18 their operation unreasonably impracticable. The ¹**[division]**
 19 commission¹ may create an expert task force to make
 20 recommendations to the ¹**[division] commission**¹ about the content
 21 of such regulations. Such regulations shall include:

22 (1) Procedures for the application, issuance, denial, renewal,
 23 suspension, and revocation of a license ¹or conditional license¹ to
 24 operate a ¹**[marijuana] cannabis**¹ establishment. Such procedures
 25 shall include ¹**[a period of no longer than 90 days by which the**
 26 division shall provide the applicant with notice of the division's
 27 approval or denial of any fully completed application for licensure
 28 or renewal, and a period not to exceed 30 days in which a license
 29 shall be issued following approval of an application] a periodic
 30 evaluation of whether the number of each class of cannabis
 31 establishment is sufficient to meet the market demands of the State,
 32 a result of which is the commission's authority to make requests for
 33 new applications and issue additional licenses as it deems necessary
 34 to meet those demands¹;

35 (2) ¹**[License application] Application, licensure,**¹ and renewal
 36 ¹of licensure¹ fees ¹**[shall be established by the division]**¹;

37 (3) ¹**[The division shall establish] Incorporation of the**¹
 38 licensing goals for applicants for licensure who are New Jersey
 39 residents ¹established in P.L. , c. (C.) (pending before the
 40 Legislature as this bill)¹. The ¹**[division] commission**¹ shall make
 41 good faith efforts to meet these goals. Qualifications for licensure
 42 shall be directly and demonstrably related to the operation of a
 43 ¹**[marijuana] cannabis**¹ establishment, provided that the
 44 ¹**[division] commission**¹ shall make licenses available to as diverse
 45 a group as possible, including, but not limited to, requirements that
 46 no license of any kind shall be issued to a person under the legal

1 age to purchase ¹["marijuana"] cannabis¹ items ¹["]. An applicant
2 shall have a significantly involved person or persons lawfully
3 residing in the State for at least two years as of the date of
4 application to receive a license¹;

5 (4) ¹["The division shall establish"] Incorporation of the¹
6 licensing ¹["goals for minority owned and female owned business as
7 these terms are defined in section 3 of P.L. 1983, c.482 (C.52:32-
8 19). The division shall analyze the number of licenses issued in
9 each county and compare that analysis to the number of qualified
10 minority owned and female owned businesses that applied in each
11 county."] measures established by the Office of Minority, Disabled
12 Veterans, and Women Cannabis Business Development pursuant to
13 paragraph (1) of subsection c. of section 9 of P.L. , c. (C.)
14 (pending before the Legislature as this bill) to promote the licensing
15 of persons from socially and economically disadvantaged
16 communities, and minority owned and women's owned businesses,
17 as these terms are defined in section 2 of P.L.1986, c.195
18 (C.52:27H-21.18), and disabled veterans' businesses as defined in
19 section 2 of P.L.2015, c.116 (C.52:32-31.2).¹ The ¹["division"]
20 commission¹ shall ¹["make good faith efforts to meet the goals it
21 establishes for the licensure of minority owned and female owned
22 businesses"] coordinate with the office with respect to the
23 incorporation of these licensing measures¹;

24 (5) Security requirements for ¹["marijuana"] cannabis¹
25 establishments;

26 (6) Requirements to prevent the sale or diversion of ¹["marijuana
27 and marijuana products"] cannabis items¹ to persons under the legal
28 age to purchase ¹["marijuana"] cannabis¹ items, including, but not
29 limited to, requirements that:

30 (a) All licensees and licensee representatives, before ¹permitting
31 entrance to a cannabis establishment and¹ selling or serving
32 ¹["marijuana or marijuana products"] cannabis items¹ to any person
33 ¹["about whom there is any reasonable doubt of the person's having
34 reached the legal age to purchase marijuana items"]¹, shall require
35 such person to produce one of the following pieces of identification:

36 (i) The person's passport;

37 (ii) The person's motor vehicle driver's license, whether
38 issued by New Jersey or by any other state, provided the license
39 displays a picture of the person;

40 (iii) A New Jersey identification card issued by the New Jersey
41 Motor Vehicle Commission;

42 (iv) A United States military identification card; ¹or¹

43 (v) ¹["A photographic identification card issued by a New
44 Jersey county clerk; or

- 1 (vi)]¹ Any other identification card issued by a state that bears a
2 picture of the person, the name of the person, the person's
3 date of birth ^{1,1} and a physical description of the person;
- 4 (b) No ¹[marijuana] cannabis¹ establishment shall employ
5 persons under ¹[the legal] 18 years of¹ age ¹[to purchase
6 marijuana items]¹ nor shall any ¹[marijuana] cannabis¹ retailer
7 allow persons under the legal age to purchase ¹[marijuana]
8 cannabis¹ items ¹, other than a person employed by the retailer,¹ to
9 enter or remain on the premises of a ¹[marijuana] cannabis¹ retailer
10 unless accompanied by a parent or legal guardian;
- 11 (c) Packaging and branding regulations to prevent marketing of
12 ¹[marijuana] cannabis¹ items and ¹[marijuana] cannabis¹
13 paraphernalia to people under the legal age to purchase
14 ¹[marijuana] cannabis¹ items;
- 15 (7) Labeling and packaging requirements for ¹[marijuana]
16 cannabis¹ items sold or distributed by a ¹[marijuana] cannabis¹
17 establishment, including, but not limited to, requirements that:
- 18 (a) ¹[Packaging and branding rules which prevent marketing of
19 marijuana] Cannabis¹ items and ¹[marijuana] cannabis¹
20 paraphernalia ¹[to people under the legal age to purchase marijuana
21 items, including, but not limited to, rules that prohibit] are not
22 packaged, branded, or marketed using¹ any statement, illustration,
23 or image that:
- 24 (i) Includes false statements;
- 25 (ii) Promotes over-consumption;
- 26 (iii) Depicts a child or other person under legal age consuming
27 ¹[marijuana] cannabis¹ items; or
- 28 (iv) Includes objects, such as toys, characters, or cartoon
29 characters suggesting the presence of a person under the legal age to
30 purchase ¹[marijuana] cannabis¹ items, or any other depiction
31 designed in any manner to be especially appealing to persons under
32 the legal age to purchase ¹[marijuana] cannabis¹ items;
- 33 (b) Ensure ¹[marijuana] cannabis¹ items are packaged in child-
34 resistant containers ¹or packaging¹;
- 35 (c) ¹[marijuana] Cannabis¹ items warning labels adequately
36 inform consumers about safe ¹[marijuana] cannabis¹ use and warn
37 of the consequences of misuse or overuse;
- 38 (d) Labeling rules that mandate clear identification of health
39 and safety information, including, but not limited to:
- 40 (i) Net weight;
- 41 (ii) Production date and expiration date;
- 42 (iii) An ingredient list that includes, but is not limited to, all
43 ingredients used to manufacture the ¹[marijuana] cannabis¹ product
44 and a list of all potential allergens contained within the product;

- 1 (iv) Strain or type of cannabis, listed by scientific terms, if
 2 available, and generic or “slang” names;
- 3 (v) Whether the product requires refrigeration;
- 4 (vi) Growth method (whether dirt grown, hydroponic, or
 5 otherwise) and an indication whether ¹‘[or not]’¹ the cannabis was
 6 grown using all-organic materials ¹‘,’¹ and a complete list of ¹‘[all]
 7 any’¹ nonorganic pesticides, fungicides and herbicides used during
 8 the cultivation of the cannabis;
- 9 (vii) Serving size, the total number of servings, and a statement
 10 regarding the percentage of THC contained in the ¹‘[marijuana]
 11 cannabis’¹ product and in each serving. For example: “The serving
 12 size of active THC in this product is X mg. This product contains X
 13 servings of ¹‘[marijuana] cannabis’¹, and the total amount of active
 14 THC in this product is X mg.” ¹‘[Serving sizes are recommended to
 15 be individually wrapped]’¹;
- 16 (viii) Warning labels that include, but are not limited to, one or
 17 more of the following:
- 18 -- “This product contains ¹‘[marijuana] cannabis’¹; ¹‘[’]’¹
 19 -- “This product is infused with ¹‘[marijuana] cannabis’¹; ¹‘[’]’¹
 20 -- “This product is intended for use by adults 21 years ¹‘[and] of
 21 age or’¹ older. Keep out of the reach of children ¹‘,’¹ ; ¹‘[’]’¹
 22 -- “The intoxicating effects of this product may be delayed by
 23 two or more hours ¹‘,’¹ ; ¹‘[’]’¹
 24 -- “There may be health risks associated with the consumption of
 25 this product, including for women who are pregnant, breastfeeding,
 26 or planning on becoming pregnant¹’¹ ; ¹‘[’]’¹
 27 -- “Do not drive a motor vehicle or operate heavy machinery
 28 while using ¹‘[marijuana] cannabis’¹; ¹‘[’]’¹
- 29 (e) Labeling rules ¹‘that’¹ mandate the source of the ¹‘[marijuana]
 30 cannabis’¹ items, including, but not limited to, the license number of
 31 the ¹‘[marijuana] cannabis’¹ cultivation facility where the
 32 ¹‘[marijuana] cannabis’¹ used to produce the ¹‘[marijuana] cannabis’¹
 33 item was grown, the license number of the ¹‘[marijuana] cannabis’¹
 34 product manufacturing facility that produced the ¹‘[marijuana]
 35 cannabis’¹ item ¹‘[;],’¹ and the license number of the ¹‘[marijuana]
 36 cannabis’¹ retailer that sold the ¹‘[marijuana] cannabis’¹ item and the
 37 production batch and lot numbers of the ¹‘[marijuana] cannabis’¹
 38 items;
- 39 (8) Health and safety regulations and standards for the
 40 manufacture and sale of ¹‘[marijuana] cannabis’¹ products and the
 41 cultivation of ¹‘[marijuana] cannabis’¹, including, but not limited to,
 42 requirements that:
- 43 (a) Establish accreditation and licensure criteria for
 44 ¹‘[marijuana] cannabis’¹ testing facilities;

- 1 (b) The ¹**["division"]** commission¹ issue licenses for a sufficient
2 number of ¹**["marijuana"]** cannabis¹ testing facilities, if those
3 facilities meet the requirements for licensure, in order to ensure
4 testing of ¹**["marijuana"]** cannabis¹ items produced and sold in the
5 State;
- 6 (c) Every licensed ¹**["marijuana"]** cannabis¹ cultivation facility
7 and ¹**["marijuana"]** cannabis¹ product manufacturing facility shall
8 ¹**["submit representative"]** permit representatives of cannabis testing
9 facilities to make scheduled and unscheduled visits to facilities in
10 order to obtain random¹ samples of ¹**["marijuana and marijuana**
11 **products"]** cannabis items, in a quantity established by the
12 commission,¹ to ¹**["marijuana"]** be transported to cannabis¹ testing
13 facilities for inspection and testing to certify compliance with
14 health, safety, and potency standards adopted by the ¹**["division on a**
15 **schedule set by the division"]** commission¹. Any sample remaining
16 after testing shall be destroyed or returned to the licensee;
- 17 (d) Prescribe methods of producing, processing, and packaging
18 ¹**["marijuana"]** cannabis¹ items; conditions of sanitation; safe
19 handling requirements; approved pesticides and pesticide testing
20 requirements; and standards of ingredients, quality, and identity of
21 ¹**["marijuana"]** cannabis¹ items produced, processed, packaged, or
22 sold by ¹**["marijuana"]** cannabis¹ establishments;
- 23 (e) Establish accreditation and licensing criteria for responsible
24 ¹**["marijuana"]** cannabis¹ server and seller training and certification
25 programs for ¹**["marijuana"]** cannabis¹ retailer employees;
- 26 (f) Provide that no licensed ¹**["marijuana"]** cannabis¹
27 establishment or employee of a ¹**["marijuana"]** cannabis¹
28 establishment shall consume, or allow to be consumed, any
29 ¹**["marijuana"]** cannabis¹ items on the establishment's premises,
30 except as ¹**["otherwise"]** permitted ¹**["by the division"]** in a cannabis
31 consumption area as set forth in section 72 of P.L. , c. (C.)
32 (pending before the Legislature as this bill)¹;
- 33 (g) Set appropriate dosage, potency, and serving size limits for
34 ¹**["marijuana"]** cannabis¹ and other ¹**["marijuana products"]** cannabis
35 items¹, provided that a standardized serving of ¹**["marijuana"]**
36 cannabis¹ shall be no more than 10 milligrams of active THC and
37 no individual edible retail product unit for sale shall contain more
38 than 100 milligrams of active THC, and that ¹**["marijuana"]**
39 cannabis¹ and ¹**["marijuana product"]** other cannabis item¹ packaging
40 prevent children from access;
- 41 (h) Require that each single standardized serving of
42 ¹**["marijuana"]** cannabis¹ in a multiple-serving edible ¹**["marijuana"]**
43 cannabis¹ product is physically demarked in a way that enables a
44 reasonable person to determine how much of the product constitutes
45 a single serving of active THC, and that each standardized serving

- 1 of **‘[marijuana] cannabis¹** shall be easily separable to allow an
2 average person 21 years of age **‘[and over] or older¹** to physically
3 separate, with minimal effort, individual servings of the product;
- 4 (i) Require that, if it is impracticable to clearly demark every
5 standardized serving of **‘[marijuana] cannabis¹** or to make each
6 standardized serving easily separable in an edible **‘[marijuana]**
7 **cannabis¹** product, the product shall contain no more than 10
8 milligrams of active THC per unit of sale;
- 9 (j) Establish screening, hiring, training, and supervising
10 requirements for retail store employees and others who manufacture
11 or handle **‘[marijuana] cannabis¹** items;
- 12 (k) Promote general sanitary requirements for the handling,
13 storage, and disposal of **‘[marijuana] cannabis¹** items, and the
14 maintenance of **‘[marijuana] cannabis¹** establishments;
- 15 (l) Provide for rigorous auditing, inspection, and monitoring of
16 **‘[marijuana] cannabis¹** establishments for compliance with health
17 and safety rules and regulations;
- 18 (m) Require the implementation of security requirements for
19 retail outlets and premises where **‘[marijuana] cannabis¹** items are
20 produced or processed, and safety protocols for **‘[marijuana]**
21 **cannabis¹** establishments and their employees;
- 22 (n) Prescribe reasonable restrictions on the manner, methods,
23 and means by which licensees shall transport **‘[marijuana]**
24 **cannabis¹** items within the State; and
- 25 (o) Establish procedures for identification, seizure, confiscation,
26 destruction, or donation to law enforcement for training purposes of
27 all **‘[marijuana] cannabis¹** or **‘[marijuana] cannabis¹** products
28 produced, processed, sold, or offered for sale within this State
29 which do not conform in all respects to the standards prescribed by
30 **‘[this chapter or the rules adopted to implement and enforce these**
31 **chapters] P.L. , c. (C.) (pending before the Legislature as**
32 **this bill)¹**;
- 33 (9) Restrictions on the advertising and display of **‘[marijuana]**
34 **cannabis¹** items and **‘[marijuana] cannabis¹** paraphernalia,
35 including, but not limited to, requirements that:
- 36 (a) Restrict advertising of **‘[marijuana] cannabis¹** items and
37 **‘[marijuana] cannabis¹** paraphernalia in ways that target or are
38 designed to appeal to individuals under the legal age to purchase
39 **‘[marijuana] cannabis¹** items, including, but not limited to
40 depictions of a person under 21 years of age consuming
41 **‘[marijuana] cannabis¹**, or, includes objects, such as toys,
42 characters, or cartoon characters suggesting the presence of a
43 person under 21 years of age, or any other depiction designed in any
44 manner to be especially appealing to a person under 21 years of
45 age;

1 (b) No licensed ¹‘[marijuana] cannabis¹ establishment shall
2 advertise any ¹‘[marijuana] cannabis¹ items or ¹‘[marijuana]
3 cannabis¹ paraphernalia on television, or radio between the hours of
4 6:00am and 10:00pm;

5 (c) No licensed ¹‘[marijuana] cannabis¹ establishment shall
6 engage in advertising unless it has reliable evidence that at least
7 71.6 percent of the audience for the advertisement is reasonably
8 expected to be 21 years of age or older ¹‘[which is the legal age to
9 purchase marijuana items]¹;

10 (d) No licensed ¹‘[marijuana] cannabis¹ establishment may
11 engage in advertising or marketing directed towards location-based
12 devices, including but not limited to cellular phones, unless the
13 marketing is a mobile device application installed on the device by
14 the owner of the device who is 21 years of age or older and includes
15 a permanent and easy opt-out feature and warnings that ¹‘[restrict
16 usage] the use¹ of ¹‘[marijuana] cannabis¹ products ¹‘is restricted¹
17 to persons 21 years of age or ¹‘[over] older¹;

18 (e) No licensed ¹‘[marijuana] cannabis¹ establishment may
19 sponsor a charitable, sports, musical, artistic, cultural, social, or
20 other similar event or engage in advertising at or in connection with
21 such an event unless it has reliable evidence that no more than 20
22 percent of the audience at the event is reasonably expected to be
23 under the legal age to purchase ¹‘[marijuana] cannabis¹ items;

24 (f) All advertisements shall contain ¹‘[warnings, including but
25 not limited to one or more of] the following ¹‘warning¹:

26 ¹‘(i)¹ “This product contains ¹‘[marijuana;”

27 (ii) “marijuana can impair concentration, coordination, and
28 judgment. Do not operate a vehicle or machinery under the
29 influence of this drug;”

30 (iii) “There may be health risks associated with the consumption
31 of this product;

32 (iv) ¹‘[cannabis.¹ For use only by adults 21 years of age ¹‘[and]
33 or¹ older. Keep out of the reach of children.”¹ ; ¹‘”

34 (v) “This product was produced without regulatory oversight for
35 health, safety or efficacy;”

36 (vi) “The intoxicating effects of this product may be delayed by
37 two or more hours;

38 (vii) “There may be health risks associated with the
39 consumption of this product, including for women who are
40 pregnant, breastfeeding, or planning on becoming pregnant.”

41 (viii) ¹‘(g)¹ No licensed ¹‘[marijuana] cannabis¹ establishment
42 shall place or maintain, or cause to be placed or maintained, an
43 advertisement of ¹‘[marijuana] cannabis¹ items or ¹‘[marijuana]
44 cannabis¹ paraphernalia in any form or through any medium
45 whatsoever within 200 feet of an elementary or secondary school
46 grounds ¹‘[, recreation center or facility, arcade, child care center,

1 public park, playground, public swimming pool, or library; on or in
2 a public transit vehicle or public transit shelter; on or in publicly
3 owned or operated property¹.

4 For the purposes of this section, a noncommercial message shall
5 not be considered an advertisement. This section also shall not
6 apply to advertisements within the premises of a ¹["marijuana"]
7 cannabis¹ retailer.

8 (10)A requirement that only ¹["marijuana"] cannabis¹ items and
9 ¹["marijuana"] cannabis¹ paraphernalia are available for sale at a
10 ¹["marijuana"] cannabis¹ establishment; ¹["and"]¹

11 (11)Procedures for the ¹["division"] commission¹ to conduct
12 announced and unannounced visits to ¹["marijuana"] cannabis¹
13 establishments to make, or cause to be made, such investigations as
14 it shall deem proper in the administration of P.L. , c. (C.)
15 (pending before the Legislature as this bill) and any ¹["and all"]¹
16 other laws which may hereafter be enacted concerning
17 ¹["marijuana"] cannabis¹, or the manufacture, distribution or sale
18 thereof, ¹["or the collection of taxes thereon"]¹, including the
19 inspection and search of premises for which the license is sought or
20 has been issued, of any building containing the same, of licensed
21 buildings, examination of the books, records, accounts, documents
22 and papers of the licensees or on the licensed premises;

23 (a) The ¹["division"] commission¹ shall be authorized, after
24 adequate notice to the owner or the agent of the owner, to make an
25 examination of the books and may at any time make an examination
26 of the premises of any person licensed under P.L. , c. (C.)
27 (pending before the Legislature as this bill) for the purpose of
28 determining compliance with ¹["this act"] P.L. , c. (C.)
29 (pending before the Legislature as this bill)¹ and the rules of the
30 ¹["division"] commission¹. The ¹["division"] commission¹ shall not
31 require the books of any licensee to be maintained on the premises
32 of the licensee;

33 (b) The ¹["division"] commission¹ may, at any time, examine the
34 books and records of any ¹["marijuana"] cannabis¹ licensee, and may
35 appoint auditors, investigators and other employees that the
36 ¹["division"] commission¹ considers necessary to enforce its powers
37 and perform its duties;

38 (c) During any inspection of a licensed premises, the
39 ¹["division"] commission¹ may require proof that a person
40 performing work at the premises is ¹["21"] 18¹ years of age or older.
41 If the person does not provide the ¹["division"] commission¹ with
42 acceptable proof of age upon request, the ¹["division"] commission¹
43 may require the person to immediately cease any activity and leave
44 the premises until the ¹["division"] commission¹ receives acceptable
45 proof of age; and

1 (d) The ¹‘[division] commission’ shall not be required to obtain
2 a search warrant to conduct an investigation or search of licensed
3 premises;

4 (12)Record keeping requirements, including ^{1,1} but not limited
5 to^{1,1} the following:

6 (a) The obligation of every ¹‘[marijuana] cannabis’ grower to
7 keep a complete and accurate record of all sales of ¹‘[marijuana]
8 cannabis’ flowers, ¹‘[marijuana] cannabis’ leaves, and immature
9 ¹‘[marijuana] cannabis’ plants, and a complete and accurate record
10 of the number of ¹‘[marijuana] cannabis’ flowers produced, the
11 number of ounces of ¹‘[marijuana] cannabis’ leaves produced, the
12 number of immature ¹‘[marijuana] cannabis’ plants produced, and
13 the dates of production; and the obligation of every ¹‘[marijuana]
14 cannabis’ establishment to keep a complete and accurate record of
15 all sales of ¹‘[marijuana] cannabis’, and a complete and accurate
16 record of the number of ounces of ¹‘[marijuana] cannabis’ items
17 sold, provided that ¹‘[marijuana] cannabis’ retailers shall not retain
18 personally identifying information about persons 21 years of age
19 ¹‘[who]’ or older who purchase ¹‘[marijuana] cannabis’ or
20 ¹‘[marijuana] cannabis’ products in ¹‘[marijuana] cannabis’
21 retailers;

22 (b) Such records shall be kept and maintained for two years and
23 the records shall be in such form and contain such other information
24 as the ¹‘[division] commission’ may require; and

25 (c) The ¹‘[division] commission’ may at any time, with
26 adequate notice, examine the books and records of any
27 ¹‘[marijuana] cannabis’ establishment, and may appoint auditors,
28 investigators, and other employees that the ¹‘[division]
29 commission’ considers necessary to enforce its powers and duties
30 as described in P.L. , c. (C.) (pending before the
31 Legislature as this bill);

32 (13)Procedures for inspecting samples of ¹‘[marijuana]
33 cannabis’ items, including:

34 (a) On a schedule determined by the ¹‘[division] commission’,
35 every licensed ¹‘[marijuana] cannabis’ grower and processor shall
36 submit representative samples of ¹‘[marijuana] cannabis’, useable
37 ¹‘[marijuana] cannabis’, or ¹‘[marijuana] cannabis’ -infused
38 products produced or processed by the licensee to an independent,
39 third-party testing laboratory meeting the accreditation
40 requirements established by the ¹‘[division] commission’, for
41 inspection and testing to certify compliance with standards adopted
42 by the ¹‘[division] commission’. Any sample remaining after
43 testing shall be destroyed by the laboratory or returned to the
44 licensee;

1 (b) Licensees shall submit the results of this inspection and
2 testing to the ¹**division** commission¹ on a form developed by the
3 ¹**division** commission¹; and

4 (c) If a representative sample inspected and tested under this
5 section does not meet the applicable standards adopted by the
6 ¹**division** commission¹, the entire lot from which the sample was
7 taken shall be destroyed;

8 (14) Establishing the number of ¹**marijuana** cannabis¹ retailers:

9 (a) Assuming there are sufficient qualified applicants for
10 licensure, the ¹**division** commission¹ shall issue a sufficient
11 number of Class 4 Retailer licenses ¹**[**, not to exceed a maximum of
12 218 licenses, as follows:

13 (i) at least two licenses per legislative district;

14 (ii) 40 at large licenses; and

15 (iii) a maximum of 98 medical licenses;

16 (b) A determination of the maximum number of marijuana
17 retailers that may be licensed in each local governmental entity,
18 taking into consideration:

19 (i) ¹**to meet the market demands of the State, and giving regard**
20 to geographical and¹ population distribution ¹**[**, provided that the
21 division shall consider seasonal fluctuations in the population of the
22 county and shall ensure that there are adequate licensed premises to
23 serve the market demands of the county during the peak seasons ¹**throughout the State**¹; and

24 ¹**(ii)** (b)¹ the provision of adequate access to licensed sources
25 of useable ¹**marijuana** cannabis¹ and ¹**marijuana** cannabis¹
26 products to discourage purchases from the illegal market; and

27 (15) Civil penalties for the failure to comply with regulations
28 ¹**made** adopted¹ pursuant to this section.

29 b. In order to ensure that individual privacy is protected, the
30 ¹**division** commission¹ shall not require a consumer to provide a
31 ¹**marijuana** cannabis¹ retailer with personal information other
32 than government-issued identification to determine the consumer's
33 age, and a ¹**marijuana** cannabis¹ retailer shall not ¹**be required to**
34 acquire and record ¹**collect and retain any**¹ personal information
35 about consumers other than information typically acquired in a
36 financial transaction conducted by the holder of a Class C retail
37 license concerning alcoholic beverages as set forth in R.S.33:1-12.

38 c. Once regulations are adopted pursuant to subsection a. of
39 this section, but prior to the commencement of the application
40 process, the ¹**division** commission¹ shall conduct a series of
41 information sessions in every county in New Jersey to educate
42 residents of New Jersey about the responsibilities, opportunities,
43 requirements, obligations, and processes for application for a
44 license to operate a ¹**marijuana** cannabis¹ establishment. The
45 ¹**division** commission¹ shall conduct an appropriate number of
46

1 information sessions in each county considering the population of
2 each county, but no fewer than two information sessions in each
3 county. The ¹**["division"] commission**¹ shall publicize the day, time,
4 location, and agenda of these information sessions broadly through
5 television, radio, Internet, print, and ¹**["through"]**¹ local agencies.

6 d. The ¹**["division"] commission**¹ shall:

7 (1) Examine available research, and may conduct or commission
8 new research or convene an expert task force, to investigate the
9 influence of ¹**["marijuana"] cannabis**¹ on the ability of a person to
10 drive a vehicle and on the concentration of delta-9
11 tetrahydrocannabinol in a person's blood, in each case taking into
12 account all relevant factors; and

13 (2) ¹**["Present"] Report, pursuant to section 2 of P.L.1991, c.164**
14 **(C.52:14-19.1),**¹ the results of the research to the Legislature and
15 make recommendations to the Legislature regarding ¹**["whether any**
16 **amendments to the rules and regulations adopted by the division are**
17 **appropriate"] legislation or other legislative action as the**
18 **commission deems necessary**¹.

19
20 ¹**["10."] 17.**¹ (New section) Tracking System.

21 a. The ¹**["division"] commission**¹ shall develop and maintain a
22 system for tracking the transfer of ¹**["marijuana"] cannabis**¹ items
23 between licensed premises.

24 b. The purposes of the system developed and maintained under
25 this section include, but are not limited to:

26 (1) Preventing the diversion of ¹**["marijuana"] cannabis**¹ items to
27 criminal enterprises, gangs, cartels, and other states;

28 (2) Preventing persons from substituting or tampering with
29 ¹**["marijuana"] cannabis**¹ items;

30 (3) Ensuring an accurate accounting of the production,
31 processing, and sale of ¹**["marijuana"] cannabis**¹ items;

32 (4) ¹**["Ensuring that taxes are collected"] Assisting the Director**
33 **of the Division of Taxation with the collection of taxes**¹ for the
34 purpose of being distributed as described in ¹**["subsection g. of"]**
35 **section ["11"] 18**¹ of P.L. , c. (C.) (pending before the
36 Legislature as this bill);

37 (5) Ensuring that laboratory testing results are accurately
38 reported; and

39 (6) Ensuring compliance with the rules and regulations adopted
40 under the provisions of P.L. , c. (C.) (pending before the
41 Legislature as this bill), and any other law of this State that charges
42 the ¹**["division"] commission**¹ with a duty, function, or power related
43 to ¹**["marijuana"] cannabis**¹.

44 c. The system developed and maintained under this section
45 shall be capable of tracking, at a minimum:

1 (1) The propagation of immature ¹**['marijuana] cannabis¹** plants
 2 and the production of ¹**['marijuana] cannabis¹** by a ¹**['marijuana]**
 3 **cannabis¹** processor;

4 (2) The processing of ¹**['marijuana] cannabis¹** by a ¹**['marijuana]**
 5 **cannabis¹** processor;

6 (3) The receiving, storing, and delivering of ¹**['marijuana]**
 7 **cannabis¹** items by a ¹**['marijuana] cannabis¹** wholesaler;

8 (4) The sale of ¹**['marijuana] cannabis¹** items by a ¹**['marijuana]**
 9 **cannabis¹** retailer to a consumer;

10 (5) The purchase and sale of ¹**['marijuana] cannabis¹** items
 11 between licensees;

12 (6) The transfer of ¹**['marijuana] cannabis¹** items between
 13 licensed premises;

14 (7) The ¹**['collection] amount¹** of taxes imposed upon the retail
 15 sale of ¹**['marijuana] cannabis¹** items; and

16 (8) Any other information that the ¹**['division] commission¹**
 17 determines is reasonably necessary to accomplish the duties,
 18 functions, and powers of the ¹**['division] commission¹**.
 19

20 ¹**['11.] 18.¹** (New section) Taxation¹; Business Treatment¹.

21 a. There ¹**['shall be a tax levied]** is imposed a tax at the rate of
 22 5.375 percent¹ upon ¹**['marijuana or marijuana products sold or**
 23 **otherwise transferred]** the receipts from the retail sale of cannabis
 24 items¹ by a ¹**['marijuana] cannabis¹** retailer to ¹**['a person] retail**
 25 customers who are¹ 21 years of age or older. ¹**['That tax shall**
 26 **include the prevailing sales tax. To encourage early participation in**
 27 **and development of marijuana establishments and to undermine the**
 28 **illegal marketplace, the tax shall escalate as follows: in year one**
 29 **following the enactment of P.L. , c. (C.) (pending before**
 30 **the Legislature as this bill), the excise tax shall be 10 percent; in**
 31 **year two, the tax shall be 15 percent; in year three, the tax rate shall**
 32 **be 20 percent; and in year four and beyond, the tax shall be 25**
 33 **percent.**

34 These excise taxes set forth in **]** The tax imposed by¹ this
 35 ¹**['subsection] section¹** shall ¹**['include the prevailing sales tax]** be
 36 in addition to the tax imposed pursuant to the “Sales and Use Tax
 37 Act,” P.L.1966, c.30 (C.54:32B-1 et seq.)¹.

38 b. The ¹**['division] commission¹** shall regularly review the tax
 39 ¹**['levels established]** rate imposed¹ under this section and make
 40 recommendations to the Legislature as appropriate regarding
 41 adjustments that would further the goals of discouraging use,
 42 particularly by those under ¹**['the age of]** 21 ¹**['years of age¹;**
 43 undercutting illegal market prices; and maximizing taxation
 44 revenue.

1 c. ¹【Statements as to quantities sold. At such periods to be
2 established by the Department of the Treasury, but no more than
3 once per calendar month, every marijuana grower and processor
4 shall file with the Division of Taxation in the Department of the
5 Treasury a statement of the quantities of marijuana flowers,
6 marijuana leaves, and immature marijuana plants sold by the
7 marijuana grower or processor during the preceding period】 (1) The
8 tax imposed pursuant to this section shall be collected from the
9 customer at the point of sale and remitted to the Director of the
10 Division of Taxation by the cannabis retailer. If the customer is
11 given any sales slip, invoice, receipt, or other statement or
12 memorandum of the price paid or payable, the tax shall be stated,
13 charged, and shown separately on the document.

14 (2) Every cannabis retailer required to collect the tax imposed
15 by this section shall be personally liable for the tax imposed,
16 collected, or required to be collected under this section. Any
17 cannabis retailer shall have the same right with respect to collecting
18 the tax from the customer, or with respect to non-payment of the tax
19 by the customer, as if the tax were a part of the purchase price of
20 the cannabis or cannabis product, and payable at the same time;
21 provided, however, that the director shall be joined as a party in any
22 action or proceeding brought to collect the tax¹.

23 d. ¹【Estimate by Division of Taxation when statement not filed
24 or false statement filed. If any marijuana grower and processor
25 fails, neglects, or refuses to file a statement required by subsection
26 c. of this section or files a false statement, the Department of the
27 Treasury shall estimate the quantities of marijuana flowers,
28 marijuana leaves, and immature marijuana plants sold by the
29 marijuana grower or processor and assess the taxes thereon. The
30 marijuana grower or processor shall be estopped from complaining
31 of the quantities so estimated】 (1) Except as otherwise provided in
32 the “New Jersey Cannabis Regulatory and Expungement Aid
33 Modernization Act,” P.L. , c. (C.) (pending before the
34 Legislature as this bill), the director shall collect and administer the
35 tax imposed pursuant to this section in the same manner as the tax
36 imposed pursuant to the “Sales and Use Tax Act,” P.L.1966, c.30
37 (C.54:32B-1 et seq.). In carrying out the provisions of the “New
38 Jersey Cannabis Regulatory and Expungement Aid Modernization
39 Act,” P.L. , c. (C.) (pending before the Legislature as this
40 bill), the director shall have all of the powers and authority granted
41 in P.L.1966, c.30 (C.54:32B-1 et seq.).

42 (2) The tax shall be reported and paid to the director on a
43 monthly basis, in a manner prescribed by the director¹.

44 e. ¹【Lien created by the tax. The tax required to be paid
45 pursuant to this section constitutes a lien upon, and has the effect of
46 an execution duly levied against, any and all property of the
47 marijuana retailer, attaching at the time the marijuana flowers,

1 marijuana leaves, and immature marijuana plants subject to the tax
2 were sold, and remaining until the tax is paid. The lien created by
3 this section is paramount to all private liens or encumbrances.

4 f. The Department of the Treasury shall establish procedures
5 for the collection of all taxes levied Except as otherwise provided
6 in the “New Jersey Cannabis Regulatory and Expungement Aid
7 Modernization Act,” P.L. , c. (C.) (pending before the
8 Legislature as this bill), the tax imposed pursuant to this section
9 shall be governed by the provisions of the “State Uniform Tax
10 Procedure Law,” R.S.54:48-1 et seq¹.

11 ¹[g.] f.¹ No tax established by this section shall be levied upon
12 ¹[marijuana intended for sale at medical marijuana centers]¹
13 medical ¹[marijuana centers] cannabis dispensed¹ pursuant to the
14 “¹[New Jersey] Jake Honig¹ Compassionate Use Medical
15 ¹[Marijuana] Cannabis¹ Act,” P.L.2009, c.307 (C.24:6I-1 et
16 ¹[seq.] al.¹) ¹or P.L.2015, c.158 (C.18A:40-12.22 et al.)¹.

17 ¹[h.] g.¹ The tax revenue ¹[shall be]¹ collected ¹[by the
18 Director of the Division of Taxation and] pursuant to this section¹
19 shall be deposited by the ¹[Director of the Division of Taxation]
20 director¹ into the ¹[nonlapsing fund] “Cannabis Regulatory and
21 Expungement Aid Modernization Fund” established pursuant to
22 section ¹[39] 71¹ of P.L. , c. (C.) (pending before the
23 Legislature as this bill), and shall be used to fund the ¹[Division of
24 Marijuana Enforcement, except that one percent shall be allocated
25 annually to the local governmental entity in which the marijuana
26 establishment is located, to be dedicated to drug prevention and
27 treatment] commission’s operations as well as to defray costs, in an
28 amount determined by the Legislature in the annual appropriations
29 act or any other act, associated with the filing and review of
30 applications for persons seeking expedited expungement relief
31 pursuant to section 38 of P.L. , c. (C.) (pending before the
32 Legislature as this bill) for being charged with, convicted of, or
33 adjudicated delinquent for offenses associated with marijuana or
34 hashish as set forth in that section, which occurred prior to the date
35 that section and other sections of the “New Jersey Cannabis
36 Regulatory and Expungement Aid Modernization Act,” P.L. ,
37 c. (C.) (pending before the Legislature as this bill) become
38 operative, based upon the commission’s adoption of the initial rules
39 and regulations pursuant to subparagraph (a) of paragraph (1) of
40 subsection d. of section 8 of that act, concerning the legal personal
41 use cannabis marketplace, and any remaining revenue shall be
42 deposited in the State’s General Fund.

43 h. With respect to the business treatment of cannabis
44 establishments:

45 (1) In no case shall a cannabis grower operate or be located on
46 land that is valued, assessed or taxed as an agricultural or

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

(2) As used in this paragraph, "economic incentive" includes, but is not limited to, operating as a certified seller in a designated enterprise zone established pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et al.), or a UEZ-impacted business district established pursuant to P.L.2001, c.347 (C.52:27H-66.2 et al.).

(a) (i) A person or entity issued a license to operate as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer shall not be eligible for a State or local economic incentive.

(ii) The issuance of a license to operate as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer to a person or entity that has been awarded a State or local economic incentive shall invalidate the right of the person or entity to benefit from the economic incentive as of the date of issuance of the license.

(b) (i) A property owner, developer, or operator of a project to be used, in whole or in part, as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer shall not be eligible for a State or local economic incentive during the period of time that the economic incentive is in effect.

(ii) The issuance of a license to operate as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer 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 license¹.

¹i. As used in this section:

"Cannabis items" means the same as that term is defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

"Cannabis retailer" means the same as that term is defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill).

"Director" means the Director of the Division of Taxation in the Department of the Treasury.¹

¹19. (New section) Local Cannabis Taxation.

a. A municipality may adopt an ordinance imposing a tax on the sale of cannabis items by a cannabis establishment that is located in the municipality. At the discretion of the municipality, the tax may be imposed on: retail sales by a cannabis retailer to retail customers who are 21 years of age or older; receipts from the sale of cannabis items from one cannabis establishment to another cannabis establishment; or any combination thereof. Each municipality shall set its own rate or rates, but in no case shall a

1 rate exceed two percent of the receipts from each sale. A tax
2 imposed by ordinance pursuant to this section shall be in addition to
3 any other tax imposed by law.

4 b. A tax imposed by ordinance pursuant to this section shall be
5 collected and remitted to the municipality by the cannabis
6 establishment. Each cannabis establishment required to collect a tax
7 imposed by ordinance pursuant to this section shall be personally
8 liable for the tax imposed, collected, or required to be collected. A
9 cannabis establishment shall have the same right in respect to
10 collecting the tax from a customer as if the tax were a part of the
11 sale and payable at the same time.

12 c. (1) A tax imposed by ordinance pursuant to this section shall
13 be separately stated from the purchase price and other taxes on a
14 receipt of sale.

15 (2) No cannabis establishment required to collect a tax imposed
16 by ordinance pursuant to this section shall advertise or hold out to
17 any person or to the public in general, in any manner, directly or
18 indirectly, that the tax will not be separately charged and stated to
19 the customer or that the tax will be refunded to the customer.

20 d. All revenues collected from a tax imposed by ordinance
21 pursuant to this section shall be remitted to the chief financial
22 officer of the municipality in a manner prescribed by the local
23 governmental entity. The chief financial officer shall collect and
24 administer any tax imposed by ordinance pursuant to this section.
25 The municipality shall enforce the payment of delinquent taxes
26 imposed by ordinance pursuant to this section in the same manner
27 as provided for municipal real property taxes.

28 e. No tax imposed by ordinance pursuant to this section shall
29 be levied upon medical cannabis dispensed pursuant to the “Jake
30 Honig Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
31 (C.24:6I-1 et al.) or P.L.2015, c.158 (C.18A:40-12.22 et al.).

32 f. As used in this section:

33 “Cannabis establishment” means the same as that term is defined
34 in section 3 of P.L. , c. (C.) (pending before the Legislature
35 as this bill).

36 “Cannabis items” means the same as that term is defined in
37 section 3 of P.L. , c. (C.) (pending before the Legislature
38 as this bill).

39 “Cannabis retailer” means the same as that term is defined in
40 section 3 of P.L. , c. (C.) (pending before the Legislature
41 as this bill).¹

42
43 ¹**[12.] 20.**¹ (New section) Local Governmental Entity
44 Regulations or Ordinances.

45 a. A local governmental entity may enact ordinances or
46 regulations, not in conflict with the provisions of P.L. , c. (C.)
47 (pending before the Legislature as this bill):

1 (1) governing the time, ¹**[place]** location¹, manner, and number
2 of ¹**[marijuana establishment operations]** cannabis establishments¹;
3 and

4 (2) establishing civil penalties for violation of an ordinance or
5 regulation governing the time, ¹**[place]** location¹, and manner of a
6 ¹**[marijuana]** cannabis¹ establishment that may operate in such
7 local governmental entity.

8 b. A local governmental entity may prohibit the operation of
9 ¹**[marijuana cultivation facilities, marijuana product manufacturing**
10 **facilities, marijuana testing facilities, or marijuana retailers]** any
11 one or more classes of cannabis establishment within the
12 jurisdiction of the local governmental entity¹ through the enactment
13 of an ordinance ¹, and this prohibiting ordinance shall apply
14 throughout the local governmental entity, even if that local
15 governmental entity or parts thereof fall within any district, area, or
16 other geographical jurisdiction for which land use planning, site
17 planning, zoning requirements, or other development authority is
18 exercised by an independent State authority, commission,
19 instrumentality, or agency pursuant to the enabling legislation that
20 governs its duties, functions, and powers, even if this development
21 authority is expressly stated or interpreted to be exclusive
22 thereunder; the local prohibiting ordinance applies, notwithstanding
23 the provisions of any independent State authority law to the
24 contrary. Only an ordinance to prohibit one or more classes of
25 cannabis establishment enacted pursuant to the specific authority to
26 do so by this section shall be valid and enforceable; any ordinance
27 enacted by a local governmental entity prior to the effective date of
28 this section addressing the issue of prohibiting one or more types of
29 cannabis-related activities within the jurisdiction of the local
30 governmental entity is null and void, and that entity may only
31 prohibit the operation of one or more classes of cannabis
32 establishment by enactment of a new ordinance based upon the
33 specific authority to do so by this section¹. The failure of a local
34 governmental entity to enact an ordinance prohibiting the operation
35 of ¹**[a marijuana]** one or more classes of cannabis¹ establishment
36 within 180 days following the ¹**[effective date of**
37 **P.L. , c. (C.) (pending before the Legislature as this bill)]**
38 adoption of the commission's initial rules and regulations pursuant
39 to subparagraph (a) of paragraph (1) of subsection d. of section 8 of
40 P.L. , c. (C.) (pending before the Legislature as this bill),¹
41 shall ¹**[thereby permit the operation of a marijuana retail**
42 **establishment]** result in any class of cannabis establishment that is
43 not prohibited from operating¹ within the local governmental entity
44 ¹**[for a period of five years, at]** as being permitted to operate
45 therein as follows: the growing, cultivating, processing, and selling
46 and reselling of cannabis and cannabis items by a cannabis grower,

1 cannabis processor, or cannabis wholesaler shall be permitted uses
 2 in all industrial zones of the local governmental entity; and the
 3 selling of cannabis items to consumers from a retail store by a
 4 cannabis retailer shall be a conditional use in all commercial zones
 5 or retail zones, subject to meeting the conditions set forth in any
 6 applicable zoning ordinance or receiving a variance from one or
 7 more of those conditions in accordance with the “Municipal Land
 8 Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.). At¹ the end of
 9 ‘[which five year] a five-year¹ period ‘following the initial failure
 10 of a local governmental entity to enact an ordinance prohibiting the
 11 operation of one or more classes of cannabis establishment¹, and
 12 every ‘[five year] five-year¹ period thereafter ‘following a failure
 13 to enact a prohibiting ordinance¹, the local governmental entity
 14 shall again be permitted to prohibit the ‘future¹ operation of ‘[a
 15 marijuana] any one or more classes of cannabis¹ establishment
 16 ‘through the enactment of an ordinance, but this ordinance shall be
 17 prospective only and not apply to any cannabis establishment
 18 operating in the local governmental entity prior to the enactment of
 19 the ordinance¹.

20 c. (1) When the ‘[division] commission¹ receives an
 21 application for initial licensing or renewal of an existing license for
 22 any ‘[marijuana] cannabis¹ establishment ‘pursuant to section 21
 23 of P.L. , c. (C.) (pending before the Legislature as this bill)¹,
 24 or endorsement for a ‘[retail marijuana] cannabis¹ consumption
 25 area ‘pursuant to section 72 of P.L. , c. (C.) (pending before
 26 the Legislature as this bill)¹, the ‘[division] commission¹ shall
 27 provide, within seven days, a copy of the application to the local
 28 governmental entity in which the establishment ‘or consumption
 29 area¹ is to be located, unless the local governmental entity has
 30 prohibited the operation of ‘[retail marijuana establishments] the
 31 particular class of cannabis establishment for which the application
 32 for licensure is sought, or in the case of an application seeking a
 33 consumption area endorsement, prohibited the operation of cannabis
 34 retailers¹. The local jurisdiction shall determine whether the
 35 application complies with local restrictions on time, ‘[place]
 36 location¹, manner, and the number of ‘[marijuana] cannabis¹
 37 businesses. The local jurisdiction shall inform the ‘[division]
 38 commission¹ whether the application complies with local
 39 restrictions on time, ‘[place] location¹, manner, and the number of
 40 ‘[marijuana] cannabis¹ businesses.

41 (2) A local governmental entity may impose a separate local
 42 licensing or endorsement requirement as a part of its restrictions on
 43 time, ‘[place] location¹, manner, and the number of ‘[marijuana]
 44 cannabis¹ businesses. A local governmental entity may decline to
 45 impose any local licensing or endorsement requirements, but a local

1 jurisdiction shall notify the **1[division] commission**¹ that it either
 2 approves or denies each application forwarded to it.

3
 4 **1[13.] 21.**¹ (New section) Application **1For License or**
 5 **Conditional License**¹.

6 a. Each application for an annual license to operate a
 7 **1[marijuana] cannabis**¹ establishment **1, or conditional license for a**
 8 **proposed cannabis establishment,**¹ shall be submitted to the
 9 **1[division] commission**¹. A separate license **1or conditional**
 10 **license**¹ shall be required for each location at which a **1[marijuana]**
 11 **cannabis**¹ establishment seeks to operate. Renewal applications **1for**
 12 **another annual license**¹ may be filed up to 90 days prior to the
 13 expiration of the establishment's license. **1[The division] A**
 14 **conditional license shall not be renewed, but replaced with an**
 15 **annual license upon the commission's determination of**
 16 **qualification for the annual license, or otherwise expire, as set forth**
 17 **in paragraph (2) of subsection b. of this section.**

18 **b. (1) Regarding the application for and issuance of annual**
 19 **licenses, the commission**¹ shall:

20 **1[(1)] (a)**¹ begin accepting and processing applications **1within**¹
 21 30 days after the **1commission's initial**¹ rules and regulations have
 22 been adopted pursuant to **1subparagraph (a) of paragraph (1) of**
 23 **subsection d. of**¹ section **1[9] 8**¹ of P.L. , c. (C.) (pending
 24 before the Legislature as this bill **1)**¹ ;

25 **1[(2) immediately] (b)**¹ forward **1, within seven days of receipt,**¹
 26 a copy of each application to the local governmental entity in which
 27 the applicant desires to operate the **1[marijuana] cannabis**¹
 28 establishment; **1and**¹

29 **1[(3)] (c) review the qualifications for the applicable license**
 30 **class, set forth in section 22, 24, 25, or 26 of P.L. , c. (C.)**
 31 **(pending before the Legislature as this bill) for which the applicant**
 32 **seeks licensure, and not more than 90 days after the receipt of an**
 33 **application, make a determination as to whether the application is**
 34 **approved or denied, or that the commission requires more time to**
 35 **adequately review the application:**

36 **(i) if the application is approved,**¹ upon **1[the approval of a**
 37 **license application and]**¹ collection of the **1[annual]**¹ license fee,
 38 issue an annual license to the applicant **1[between 45 and 90] no**
 39 **later than 30**¹ days after **1[receipt] giving notice**¹ of **1[an] approval**
 40 **of the**¹ application unless the **1[division] commission**¹ finds the
 41 applicant is not in compliance with regulations **1for annual licenses**¹
 42 enacted pursuant to the provisions of **1paragraph (1) of subsection**
 43 **d. of**¹ section **1[9] 8**¹ of P.L. , c. (C.) (pending before the
 44 Legislature as this bill) or the **1[division] commission**¹ is notified
 45 by the relevant local governmental entity that the applicant is not in

1 compliance with ordinances and regulations made pursuant to the
2 provisions of section ¹12¹ 20¹ of P.L. , c. (C.) (pending
3 before the Legislature as this bill) and in effect at the time of
4 application, provided, ¹where¹ if¹ a local governmental entity has
5 enacted a numerical limit on the number of ¹marijuana¹ cannabis¹
6 establishments and a greater number of applicants seek licenses, the
7 ¹division¹ commission¹ shall solicit and consider input from the
8 local governmental entity as to the local governmental entity's
9 preference or preferences for licensure; ¹and¹ or
10 ¹(4) upon denial of an¹ (ii) if the¹ application ¹is denied¹,
11 notify the applicant in writing of the specific reason for its denial.
12 ¹b. No employee of the division shall have any interest, directly
13 or indirectly, in the producing, processing, or sale of marijuana,
14 marijuana products, or marijuana paraphernalia, or derive any profit
15 or remuneration from the sale of marijuana, marijuana products, or
16 marijuana paraphernalia, other than the salary or wages payable to
17 him in respect of his position, or receive any gratuity from any
18 person in connection with the application for a license or the sale of
19 marijuana, marijuana products, or marijuana paraphernalia.]
20 (2) Regarding the application for and issuance of conditional
21 licenses, the commission shall:
22 (a) begin accepting and processing applications from applicants
23 within 30 days after the commission's initial rules and regulations
24 have been adopted pursuant to subparagraph (a) of paragraph (1) of
25 subsection d. of section 8 of P.L. , c. (C.) (pending before the
26 Legislature as this bill), and ensure that at least 35 percent of the
27 total licenses issued for each class of cannabis establishment are
28 conditional licenses, which 35 percent figure shall also include any
29 conditional license issued to an applicant which is subsequently
30 replaced by the commission with an annual license due to that
31 applicant's compliance for the annual license pursuant to
32 subsubparagraph (i) of subparagraph (d) of this paragraph;
33 (b) forward, within seven days of receipt, a copy of each
34 application to the local governmental entity in which the applicant
35 desires to operate a proposed cannabis establishment; and
36 (c) review the following qualifications for a conditional license:
37 (i) that the application include at least one significantly
38 involved person who has resided in this State for at least two years
39 as of the date of the application;
40 (ii) a listing included with the application, showing all persons
41 with a financial interest who also has decision making authority for
42 the proposed cannabis establishment detailed in the application;
43 (iii) proof that the significantly involved person and any other
44 person with a financial interest who also has decision making
45 authority for the proposed cannabis establishment is 21 years of age
46 or older;

1 (iv) the name, address, date of birth, and resumes of each
2 executive officer and all other persons with a financial interest who
3 also has decision making authority for the proposed cannabis
4 establishment, as well as a photocopy of their driver's licenses or
5 other government-issued form of identification, plus background
6 check information in a form and manner determined by the
7 commission; concerning the background check, an application shall
8 be denied if any person has any disqualifying conviction pursuant to
9 subparagraph (c) of paragraph (4) of subsection a. of section 22, 24,
10 25, or 26, based upon the applicable class of cannabis establishment
11 for which the application was submitted, unless the commission
12 determines pursuant to subsubparagraph (ii) of those subparagraphs
13 that the conviction should not disqualify the application;

14 (v) proof that each person with a financial interest who also has
15 decision making authority for the proposed cannabis establishment
16 has, for the immediately preceding taxable year, an adjusted gross
17 income of no more than \$200,000 or no more than \$400,000 if
18 filing jointly with another, or has, at any time in the past five
19 taxable years, received federal or State financial assistance;

20 (vi) a certification that each person with a financial interest who
21 also has decision making authority for the proposed cannabis
22 establishment does not have any financial interest in an application
23 for an annual license under review before the commission or a
24 cannabis establishment that is currently operating with an annual
25 license;

26 (vii) the federal and State tax identification numbers for the
27 proposed cannabis establishment, and proof of business registration
28 with the Division of Revenue in the Department of the Treasury;

29 (viii) information about the proposed cannabis establishment,
30 including its legal name, any registered alternate name under which
31 it may conduct business, and a copy of its articles of organization
32 and bylaws;

33 (ix) the business plan and management operation profile for the
34 proposed cannabis establishment;

35 (x) the plan by which the applicant intends to obtain appropriate
36 liability insurance coverage for the proposed cannabis
37 establishment; and

38 (xi) any other requirements established by the commission
39 pursuant to regulation; and

40 (d) not more than 30 days after the receipt of an application,
41 make a determination as to whether the application is approved or
42 denied, or that the commission requires more time to adequately
43 review the application:

44 (i) if the application is approved, upon collection of the
45 conditional license fee, issue a conditional license to the applicant,
46 which is non-transferable for its duration, no later than 30 days after
47 giving notice of approval of the application, unless the commission
48 finds the applicant is not in compliance with regulations for

1 conditional licenses enacted pursuant to the provisions of paragraph
2 (1) of subsection d. of section 8 of P.L. , c. (C.) (pending
3 before the legislature as this bill) or the commission is notified by
4 the relevant local governmental entity that the applicant is not in
5 compliance with ordinances and regulations made pursuant to the
6 provisions of section 20 of P.L. , c. (C.) (pending before
7 the Legislature as this bill) and in effect at the time of application,
8 provided, if a local governmental entity has enacted a numerical
9 limit on the number of marijuana cannabis establishments and a
10 greater number of applicants seek licenses, the commission shall
11 solicit and consider input from the local governmental entity as to
12 the local governmental entity's preference or preferences for
13 licensure. For each license issued, the commission shall also
14 provide the approved licensee with documentation setting forth the
15 remaining conditions to be satisfied under section 22, 24, 25, or 26
16 of P.L. , c. (C.) (pending before the Legislature as this
17 bill), based upon the applicable class of cannabis establishment for
18 which the conditional license was issued, and which were not
19 already required for the issuance of that license, to be completed
20 within 120 days of issuance of the conditional license. If the
21 commission subsequently determines during that 120-day period
22 that the conditional licensee is in compliance with all applicable
23 conditions and is implementing the plans, procedures, protocols,
24 actions, or other measures set forth in its application, the
25 commission shall replace the conditional license by issuing an
26 annual license, which will expire one year from its date of issuance;
27 if the conditional licensee is not in compliance with all applicable
28 conditions or not implementing the plans, procedures, protocols,
29 actions, or other measures set forth in its application, the
30 conditional license shall automatically expire at the end of the 120-
31 day period; or

32 (ii) if the application is denied, notify the applicant in writing of
33 the specific reason for its denial, and provide with this written
34 notice a refund of 80 percent of the application fee submitted with
35 the application;

36 (3) a commission decision concerning the approval, re-approval,
37 or denial of a license or conditional license made pursuant to this
38 section shall be considered a final agency action for the purposes of
39 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
40 seq.) and shall be subject only to judicial review as provided in the
41 Rules of Court.

42 c. The commission shall require all applicants for cannabis
43 licenses, other than applicants issued a conditional license for any
44 form of cannabis establishment or issued either a conditional or
45 annual license for an establishment that is a microbusiness pursuant
46 to subsection f. of this section, to submit an attestation signed by a
47 bona fide labor organization stating that the applicant has entered
48 into a labor peace agreement with such bona fide labor

1 organization. The maintenance of a labor peace agreement with a
2 bona fide labor organization by a licensed cannabis establishment,
3 other than an establishment that is a microbusiness, shall be an
4 ongoing material condition of the establishment's license. The
5 submission of an attestation and maintenance of a labor peace
6 agreement with a bona fide labor organization by an applicant
7 issued a conditional license for a cannabis establishment, other than
8 an establishment that is a microbusiness, shall be a requirement for
9 final approval for an annual license. Failure to enter, or to make a
10 good faith effort to enter, into a collective bargaining agreement
11 within 200 days of the opening of a licensed cannabis
12 establishment, other than an establishment that is a microbusiness,
13 shall result in the suspension or revocation of the establishment's
14 license.

15 d. (1) Each license application shall be scored and reviewed
16 based upon a point scale with the commission determining the
17 amount of points, the point categories, and the system of point
18 distribution by regulation. The commission shall rank all
19 applicants, from the most to the least points, according to the point
20 system. The commission may, pursuant to a process set forth in
21 regulation, adjust the point system or utilize a separate point system
22 and rankings with respect to the review of an application for which
23 a conditional license is sought. If two or more eligible applicants
24 have the same number of points, those applicants shall be grouped
25 together and, if there are more eligible applicants in this group than
26 the remaining number of licenses available, the commission shall
27 utilize a public lottery to determine which applicants receive a
28 license or conditional license, as the case may be.

29 (2) In ranking applications, the commission shall give priority to
30 the following:

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

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

37 (c) Applicants that submit an attestation affirming that they will
38 use best efforts to utilize union labor in the construction or retrofit
39 of the facilities associated with their cannabis business.

40 (d) Applicants who are a current resident of an impact zone or
41 who present a plan to employ a select number of employees who
42 reside in an impact zone pursuant to paragraph (2) of subsection e.
43 of this section, regardless of where the cannabis establishment is, or
44 is intended to be, located;

45 e. (1) The commission shall also prioritize applications on the
46 basis of impact zones, for which past criminal marijuana enterprises
47 contributed to higher concentrations of law enforcement activity,

1 unemployment, and poverty within parts of or throughout these
2 zones. An “impact zone” means any local governmental entity that:
3 (a) has a population of 120,000 or more according to the most
4 recently compiled federal decennial census as of the effective date
5 of P.L. , c. (C.) (pending before the Legislature as this bill);
6 or
7 (b) (i) ranks in the top 33 percent of local governmental entities
8 in the State for marijuana- or hashish-related arrests for violation of
9 paragraph (4) of subsection a. of N.J.S.2C:35-10 in the calendar
10 year next preceding the effective date of P.L. , c. (C.)
11 (pending before the Legislature as this bill);
12 (ii) has a crime index total of 1,000 or higher based upon the
13 indexes listed in the most recently issued annual Uniform Crime
14 Report by the Division of State Police as of that effective date; and
15 (iii) has a local governmental entity average annual
16 unemployment rate that ranks in the top 15 percent of all local
17 governmental entities in the State for the calendar year next
18 preceding that effective date, based upon average annual
19 unemployment rates estimated for the relevant calendar year by the
20 Office of Research and Information in the Department of Labor and
21 Workforce Development.
22 (2) In ranking applications with respect to impact zones, the
23 commission shall give priority to the following:
24 (a) An applicant who is a current resident of an impact zone and
25 has resided therein for three or more consecutive years at the time
26 of making the application. To the extent possible, at least 25
27 percent of the total licenses issued to applicants for a cannabis
28 establishment license shall be awarded to applicants who have
29 resided in an impact zone for three or more consecutive years at the
30 time of making the application, regardless of where the cannabis
31 establishment is, or is intended to be, located.
32 (b) An applicant who presents a plan, attested to, to employ 25
33 percent of employees who reside in an impact zone, of whom at
34 least 25 percent shall reside in the impact zone nearest to the
35 location, or intended location, of the cannabis establishment; failure
36 to meet the requisite percentages of employees from an impact zone
37 within 90 days of the opening of a licensed cannabis establishment
38 shall result in the suspension or revocation of a license or
39 conditional license, as applicable, issued based on an application
40 with an impact zone employment plan.
41 f. (1) The commission shall ensure that at least 10 percent of
42 the total licenses issued for each class of cannabis establishment are
43 designated for and only issued to microbusinesses, and that at least
44 25 percent of the total licenses issued be issued to microbusinesses.
45 The determination of the percentage for each class of license issued
46 to microbusinesses shall include the number of conditional licenses
47 issued to microbusinesses for each class, as the percentage of
48 conditional licenses issued for each class pursuant to subparagraph

1 (a) of paragraph (2) of subsection b. of this section shall not be
2 mutually exclusive of the percentage of licenses issued to
3 microbusinesses pursuant to this paragraph. The maximum fee
4 assessed by the commission for issuance or renewal of a license
5 designated and issued to a microbusiness shall be no more than half
6 the fee applicable to a license of the same class issued to a person
7 or entity that is not a microbusiness. A license designated and
8 issued to a microbusiness shall be valid for one year and may be
9 renewed annually.

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

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

14 (b) at least 51 percent of the owners, directors, officers, or
15 employees of the microbusiness shall be residents of the local
16 governmental entity in which the microbusiness is located, or to be
17 located, or a local governmental entity bordering the local
18 governmental entity in which the microbusiness is located, or to be
19 located;

20 (c) concerning business operations, and capacity and quantity
21 restrictions:

22 (i) employ no more than 10 employees;

23 (ii) operate a cannabis establishment occupying an area of no
24 more than 2,500 square feet, and in the case of a cannabis grower,
25 grow cannabis on an area no more than 2,500 square feet measured
26 on a horizontal plane and grow above that plane not higher than 24
27 feet;

28 (iii) possess no more than 1,000 cannabis plants each month;

29 (iv) in the case of a cannabis processor, acquire and process no
30 more than 1,000 pounds of cannabis in dried form each month;

31 (v) in the case of a cannabis wholesaler, acquire for resale no
32 more than 1,000 pounds of cannabis in dried form, or the equivalent
33 amount in any other form, or any combination thereof, each month;
34 and

35 (vi) in the case of a cannabis retailer, acquire for retail sale no
36 more than 1,000 pounds of cannabis in dried form, or the equivalent
37 amount in any other form, or any combination thereof, each month.

38 (d) no owner, director, officer, or other person with a financial
39 interest who also has decision making authority for the
40 microbusiness shall hold any financial interest in any other licensed
41 cannabis establishment, whether or not a microbusiness;

42 (e) no owner, director, officer, or other person with a financial
43 interest who also has decision making authority for a licensed
44 cannabis establishment, whether or not a microbusiness, shall hold
45 any financial interest in a microbusiness;

46 (f) the microbusiness shall not sell or transfer the license issued
47 to it; and

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

¹**[14.] 22.** (New section) Class 1 **‘[Marijuana] Cannabis’** Grower license.

A **‘[marijuana] cannabis’** grower shall have a Class 1 **‘[Marijuana] Cannabis’** Grower license issued by the **‘[division] commission’** for the premises at which the **‘[marijuana] cannabis’** is grown or cultivated. The **‘[division] commission’** shall determine the maximum number of licenses ‘, of which at least 35 percent shall be conditional licenses issued pursuant to subparagraph (a) of paragraph (2) of subsection b. of section 21 of P.L. , c. (C.) (pending before the Legislature as this bill), and at least 25 percent of the total number of licenses and conditional licenses shall be designated for and only issued to microbusinesses pursuant subsection f. of that section’. Providing there exist qualified applicants, the **‘[division] commission’** shall issue a sufficient number of licenses **‘[, not to exceed a total of 25, including licenses issued to medical marijuana alternative treatment centers but of these 25 licenses, 15 licenses shall be reserved for medical marijuana alternative treatment centers] to meet the market demands of the State, and may, as authorized by paragraph (1) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill), make requests for new applications for additional licenses as it deems necessary to meet those demands’**¹.

¹**[A person who has been convicted of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or any other state shall not be issued a Class 1 Marijuana Grower license, unless such conviction occurred after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) and was for a violation of federal law relating to possession or sale of marijuana for conduct that is authorized under P.L. , c. (C.) (pending before the Legislature as this bill).]**¹

a. To hold a Class 1 **‘[Marijuana] Cannabis’** Grower license under this section, **‘[a marijuana grower] an applicant’**¹:

(1) Shall apply for a license in the manner described in section **‘[13] 21’** of P.L. , c. (C.) (pending before the Legislature as this bill);

(2) Shall **‘have at least one significantly involved person who has resided in this State for at least two years as of the date of the application, and’** provide proof that **‘[an applicant] this person and any other person with an investment interest who also has decision making authority for the cannabis grower’**¹ listed on an application

1 submitted under section ¹**[13] 21**¹ of P.L. , c. (C.)
2 (pending before the Legislature as this bill) ¹**[**, has been a resident
3 of this State for two or more years, and shall provide proof that the
4 applicant¹ is 21 years of age or older;

5 (3) Shall meet the requirements of any rule or regulation
6 adopted by the ¹**[division] commission**¹ under subsection b. of this
7 section; and

8 (4) Shall ¹provide for each of the following persons to¹ undergo
9 a criminal history record background check: ¹any owner, other than
10 an owner who holds less than a five percent investment interest in
11 the cannabis grower or who is a member of a group that holds less
12 than a 20 percent investment interest in the cannabis grower and no
13 member of that group holds more than a five percent interest in the
14 total group investment, and who lacks the authority to make
15 controlling decisions regarding the cannabis grower's operations;
16 any director; any officer; and any employee.¹

17 (a) Pursuant to this provision, the ¹**[director] commission**¹ is
18 authorized to exchange fingerprint data with and receive criminal
19 history record background information from the Division of State
20 Police and the Federal Bureau of Investigation consistent with the
21 provisions of applicable federal and State laws, rules, and
22 regulations. The Division of State Police shall forward criminal
23 history record background information to the ¹**[director]**
24 commission¹ in a timely manner when requested pursuant to the
25 provisions of this section;

26 (b) ¹**[An applicant] Each person**¹ shall submit to being
27 fingerprinted in accordance with applicable State and federal laws,
28 rules, and regulations. No check of criminal history record
29 background information shall be performed pursuant to this section
30 unless ¹**[the applicant] a person**¹ has furnished his written consent
31 to that check. ¹**[An applicant] A person**¹ who refuses to consent to,
32 or cooperate in, the securing of a check of criminal history record
33 background information shall ¹**[not be]** prevent the application
34 from being further¹ considered for a grower's license. ¹**[An**
35 **applicant] Each person**¹ shall bear the cost for the criminal history
36 record background check, including all costs of administering and
37 processing the check;

38 (c) ¹**[The director shall not approve an applicant for a Class 1**
39 **Marijuana Grower license if the criminal history record background**
40 **information of the applicant reveals any disqualifying conviction]**

41 (i) With respect to determining whether any conviction of a
42 person contained in the criminal history record background check
43 should disqualify an applicant for a Class 1 Cannabis Grower
44 license, the commission shall not take into consideration any prior
45 conviction involving a controlled dangerous substance or controlled
46 substance analog as set forth in paragraph (11) or (12) of subsection

1 b., or subparagraph (b) of paragraph (10) of subsection b. of
2 N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of
3 N.J.S.2C:35-10, or any similar indictable offense under federal law,
4 this State's law, or any other state's law. Additionally, the
5 commission shall not take into consideration any other prior
6 conviction, unless that conviction is for an indictable offense under
7 federal law, other than a conviction for conduct involving cannabis
8 or cannabis resin that is authorized by P.L. , c. (C.)
9 (pending before the Legislature as this bill), or under this State's
10 law, or any other state's law that is substantially related to the
11 qualifications, functions, or duties for which the license is required,
12 and not more than five years have passed since the date of that
13 conviction. In determining which indictable offenses are
14 substantially related to the qualifications, functions, or duties for
15 which the license is required, the commission shall at least consider
16 any conviction involving fraud, deceit, or embezzlement, and any
17 conviction for N.J.S.2C:35-6, employing a minor in a drug
18 distribution scheme, or similar indictable offense in this or another
19 jurisdiction involving the use of a minor to dispense or distribute a
20 controlled dangerous substance or controlled substance analog;

21 (ii) The commission may approve an applicant for a Class 1
22 Cannabis Grower license after conducting a thorough review of any
23 previous conviction of a person that substantially related to the
24 qualifications, functions, or duties for which the license is required
25 that is contained in the criminal history record background
26 information, and this review shall include examining the nature of
27 the indictable offense, the circumstances at the time of committing
28 the offense, and evidence of rehabilitation since conviction. If the
29 commission determines that the reviewed conviction should not
30 disqualify the applicant, the applicant may be approved so long as
31 the applicant is otherwise qualified to be issued the license¹; and

32 (d) Upon receipt ¹and review¹ of the criminal history record
33 background information from the Division of State Police and the
34 Federal Bureau of Investigation, the ¹['director'] commission¹ shall
35 provide written notification to the applicant of ¹['his'] the¹
36 qualification for or disqualification for a Class 1 ¹['Marijuana']
37 Cannabis¹ Grower license.

38 If the applicant is disqualified because ¹['of'] the commission
39 determined that a person has¹ a disqualifying conviction pursuant to
40 the provisions of this section, the conviction that constitutes the
41 basis for the disqualification shall be identified in the written
42 notice.

43 (e) The Division of State Police shall promptly notify the
44 ¹['division'] commission¹ in the event that ¹['an individual'] a
45 person¹ who was the subject of a criminal history record
46 background check conducted pursuant to this section is convicted of
47 a crime or offense in this State after the date the background check

1 was performed. Upon receipt of that notification, the ¹["director]
2 commission¹ shall make a determination regarding the
3 ¹["individual's"]¹ continued eligibility ¹for the applicant, or
4 following application, for the licensee,¹ to hold a Class 1
5 ¹["Marijuana"] Cannabis¹ Grower license.

6 b. The ¹["division"] commission¹ shall adopt rules and
7 regulations that:

8 (1) Require a ¹["marijuana"] cannabis¹ grower to annually renew
9 ¹["a"] the Class 1 Cannabis Grower¹ license ¹["issued under this
10 section"]¹;

11 (2) Establish application, licensure, and renewal of licensure
12 fees for ¹["marijuana"] cannabis¹ growers ¹in accordance with
13 paragraph (2) of subsection a. of section 16 of P.L. , c. (C.)
14 (pending before the Legislature as this bill)¹;

15 (3) Require ¹["marijuana"] cannabis¹ produced by ¹["marijuana"]
16 cannabis¹ growers to be tested in accordance with
17 P.L. , c. (C.) (pending before the Legislature as this
18 bill);

19 (4) Require ¹["marijuana"] cannabis¹ growers to submit, at the
20 time of applying for or renewing a license under
21 P.L. , c. (C.) (pending before the Legislature as this
22 bill), a report describing the applicant's or licensee's electrical and
23 water usage; and

24 (5) Require a ¹["marijuana"] cannabis¹ grower to meet any public
25 health and safety standards, industry best practices, and all
26 applicable regulations established by the ¹["division"] commission¹
27 by rule or regulation related to the production of ¹["marijuana"]
28 cannabis¹ or the propagation of immature ¹["marijuana"] cannabis¹
29 plants and the seeds of the plant Genus Cannabis L. within the plant
30 family Cannabaceae. The ¹["division"] commission¹ may ¹["not
31 limit"] regulate¹ the number of immature ¹["marijuana"] cannabis¹
32 plants that may be possessed by a ¹["marijuana"] cannabis¹ grower
33 licensed under this section; the size of the grow canopy a
34 ¹["marijuana"] cannabis¹ grower licensed under this section uses to
35 grow immature ¹["marijuana"] cannabis¹ plants; ¹["or"] and¹ the
36 weight or size of shipments of immature ¹["marijuana"] cannabis¹
37 plants made by a ¹["marijuana"] cannabis¹ grower licensed under this
38 section.

39 c. Fees adopted under subsection b. of this section:

40 (1) Shall be in the form of a schedule that imposes a greater fee
41 for premises with more square footage or on which more mature
42 ¹["marijuana"] cannabis¹ plants are grown; and

43 (2) Shall be deposited in the "¹["Marijuana Control and
44 Regulation"] Cannabis Regulatory and Expungement Aid
45 Modernization¹ Fund" established under section ¹["39"] 71¹ of

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

3 d. ¹(1)¹ The ¹["director"] commission¹ shall issue ¹or deny
4 issuance of¹ a Class 1 ¹["Marijuana"] Cannabis¹ Grower license ¹["if
5 he finds that issuing such a license would be consistent with the
6 purposes of P.L. , c. (C.) (pending before the Legislature
7 as this bill), the requirements of this section are met, and the
8 information contained in the application has been verified. The
9 director shall approve or deny an application within 60 days after
10 receipt of a completed application. The denial of an application
11 shall be considered a final agency decision, subject to review by the
12 Appellate Division of the Superior Court."] or conditional license in
13 accordance with the procedures set forth in section 21 of
14 P.L. , c. (C.) (pending before the Legislature as this bill).

15 (2)¹ The ¹["director"] commission¹ may suspend or revoke a
16 Class 1 ¹["Marijuana"] Cannabis¹ Grower license ¹or conditional
17 license¹ to operate as a ¹["Marijuana Cultivation Facility"] cannabis
18 cultivation facility¹ for cause, which shall be ¹["subject to review by
19 the Appellate Division of the Superior Court"] considered a final
20 agency action for the purposes of the "Administrative Procedure
21 Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only
22 to judicial review as provided in the Rules of Court¹.

23 e. A person who has been issued a license ¹["pursuant to this
24 section"] or conditional license¹ shall display the license ¹or
25 conditional license¹ at the premises at all times when ¹["marijuana"]
26 cannabis¹ is being produced.

27 f. ¹["A"] As required by the commission in regulation, a
28 licensee ¹or conditional licensee¹ shall report ¹["any change"]
29 required changes¹ in information ¹about the licensee¹ to the
30 ¹["director not later than 10 days after such change, or the license
31 shall be deemed null and void"] commission within the time
32 specified by the commission¹.

33
34 ¹["15."] 23.¹ (New section) Grow Canopies for Licensed
35 Cannabis Growers.¹

36 a. Subject to subsection b. of this section, the ¹["division"]
37 commission¹ shall adopt rules or regulations restricting the size of
38 mature ¹["marijuana"] cannabis¹ plant grow canopies at premises for
39 which a license has been issued ¹["under"] to a cannabis grower
40 pursuant to¹ P.L. , c. (C.) (pending before the
41 Legislature as this bill).

42 b. ¹["In"] When¹ adopting rules ¹and regulations¹ under this
43 subsection, the ¹["division"] commission¹ shall ¹consider whether
44 to¹:

1 (1) Limit the size of mature ¹‘[marijuana] cannabis¹ plant grow
2 canopies for premises where ¹‘[marijuana] cannabis¹ is grown
3 outdoors and for premises where ¹‘[marijuana] cannabis¹ is grown
4 indoors in a manner calculated to result in premises that produce the
5 same amount of harvested ¹‘[marijuana] cannabis¹ leaves and
6 harvested ¹‘[marijuana] cannabis¹ flowers, regardless of whether
7 the ¹‘[marijuana] cannabis¹ is grown outdoors or indoors;

8 (2) Adopt a tiered system under which the permitted size of a
9 ¹‘[marijuana] cannabis¹ growers’ mature ¹‘[marijuana] cannabis¹
10 plant grow canopy increases at the time of licensure renewal, except
11 that the permitted size of a ¹‘[marijuana] cannabis¹ growers’ mature
12 ¹‘[marijuana] cannabis¹ plant grow canopy may not increase
13 following any year during which the ¹‘[division] commission¹
14 disciplined the ¹‘[marijuana] cannabis¹ growers for violating a
15 provision of or a rule adopted under a provision of
16 P.L. , c. (C.) (pending before the Legislature as this
17 bill); provided, that at the time of adoption, any growing or
18 cultivation square footage previously approved or authorized for an
19 alternative treatment center that was issued a permit prior to the
20 effective date of P.L. , c. (C.) (pending before the
21 Legislature as Senate Committee Substitute for Senate Bill Nos. 10
22 and 2426), or that was issued a permit on or after that effective date
23 pursuant to an application submitted prior to that effective date,
24 shall not be reduced, but the commission’s adopted tier system shall
25 apply to the growing or cultivation square footage of that alternative
26 treatment center thereafter;¹ and

27 (3) Take into consideration the market demand for ¹‘[marijuana]
28 cannabis¹ items in this State, the number of persons applying for a
29 license ¹‘[under] pursuant to sections 22, 24, 25, and 26 of¹
30 P.L. , c. (C.) (pending before the Legislature as this
31 bill), and to whom a license has been issued ¹‘[under]
32 P.L. , c. (C.) (pending before the Legislature as this
33 bill)] pursuant to those sections¹, and whether the availability of
34 ¹‘[marijuana] cannabis¹ items in this State is commensurate with
35 the market demand.

36 c. This section shall not apply to premises for which a license
37 has been issued ¹‘[under] to a cannabis grower pursuant to section
38 22 of¹ P.L. , c. (C.) (pending before the Legislature as
39 this bill), if the premises is used only to propagate immature
40 ¹‘[marijuana] cannabis¹ plants.

41
42 ¹‘[16.] 24.¹ (New section) Class 2 ¹‘[Marijuana] Cannabis¹
43 Processor license.

44 A ¹‘[marijuana] cannabis¹ processor shall have a Class 2
45 ¹‘[Marijuana] Cannabis¹ Processor license issued by the ¹‘[division]

1 commission¹ for the premises at which the ¹**['marijuana]** cannabis¹
 2 product is produced. ¹**['division]** The commission¹ shall determine
 3 the maximum number of licenses ¹**['but, providing]**¹, ¹of which at
 4 least 35 percent shall be conditional licenses issued pursuant to
 5 subparagraph (a) of paragraph (2) of subsection b. of section 21 of
 6 P.L. , c. (C.) (pending before the Legislature as this bill),
 7 and at least 25 percent of the total number of licenses and
 8 conditional licenses shall be designated for and only issued to
 9 microbusinesses pursuant to subsection f. of that section. Providing¹
 10 there exist qualified applicants, ¹the commission¹ shall issue a
 11 sufficient number of licenses to meet the ¹**['production]** market¹
 12 demands ¹**['that implementation of P.L. , c. (C.)**
 13 **(pending before the Legislature as this bill) requires]** of the State,
 14 and may, as authorized by paragraph (1) of subsection a. of section
 15 16 of P.L. , c. (C.) (pending before the Legislature as this
 16 bill), make requests for new applications for additional licenses as it
 17 deems necessary to meet those demands¹.

18 ¹**['A person who has been convicted of a crime involving any**
 19 **controlled dangerous substance or controlled substance analog as**
 20 **set forth in chapter 35 of Title 2C of the New Jersey Statutes except**
 21 **paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law**
 22 **of the United States or any other state shall not be issued a Class 2**
 23 **Marijuana Processor license, unless such conviction occurred after**
 24 **the effective date of P.L. , c. (C.) (pending before the**
 25 **Legislature as this bill) and was for a violation of federal law**
 26 **relating to possession or sale of marijuana for conduct that is**
 27 **authorized under P.L. , c. (C.) (pending before the**
 28 **Legislature as this bill).]**¹

29 a. To hold a Class 2 ¹**['Marijuana]** Cannabis¹ Processor license
 30 under this section, ¹**['a marijuana processor]** an applicant¹:

31 (1) Shall apply for a license in the manner described in section
 32 ¹**['13]** 21¹ of P.L. , c. (C.) (pending before the
 33 Legislature as this bill);

34 (2) Shall ¹have at least one significantly involved person who
 35 has resided in this State for at least two years as of the date of the
 36 application, and¹ provide proof that ¹**['an applicant]** this person and
 37 any other person with an investment interest who also has decision
 38 making authority for the cannabis processor¹ listed on an
 39 application submitted under section ¹**['13]** 21¹ of
 40 P.L. , c. (C.) (pending before the Legislature as this bill)
 41 ¹**['], has been a resident of this State for two or more years, and shall**
 42 **provide proof that the applicant]**¹ is 21 years of age or older;

43 (3) Shall meet the requirements of any rule or regulation
 44 adopted by the ¹**['division]** commission¹ under subsection b. of this
 45 section; and

1 (4) Shall 'provide for each of the following persons to' undergo
2 a criminal history record background check: 'any owner, other than
3 an owner who holds less than a five percent investment interest in
4 the cannabis processor or who is a member of a group that holds
5 less than a 20 percent investment interest in the cannabis processor
6 and no member of that group holds more than a five percent interest
7 in the total group investment, and who lacks the authority to make
8 controlling decisions regarding the cannabis processor's operations;
9 any director; any officer; and any employee.'¹

10 (a) Pursuant to this provision, the **'[Director] commission'**¹ is
11 authorized to exchange fingerprint data with and receive criminal
12 history record background information from the Division of State
13 Police and the Federal Bureau of Investigation consistent with the
14 provisions of applicable federal and State laws, rules, and
15 regulations. The Division of State Police shall forward criminal
16 history record background information to the **'[director]**
17 **commission'**¹ in a timely manner when requested pursuant to the
18 provisions of this section;

19 (b) **'[An applicant] Each person'**¹ shall submit to being
20 fingerprinted in accordance with applicable State and federal laws,
21 rules, and regulations. No check of criminal history record
22 background information shall be performed pursuant to this section
23 unless **'[the applicant] a person'**¹ has furnished his written consent
24 to that check. **'[An applicant] A person'**¹ who refuses to consent to,
25 or cooperate in, the securing of a check of criminal history record
26 background information shall **'[not be] prevent the application**
27 **from being further'**¹ considered for a processor license. **'[An**
28 **applicant] Each person'**¹ shall bear the cost for the criminal history
29 record background check, including all costs of administering and
30 processing the check;

31 (c) **'[The director shall not approve an applicant for a Class 2**
32 **Marijuana Processor license if the criminal history record**
33 **background information of the applicant reveals any disqualifying**
34 **conviction]**¹

35 (i) With respect to determining whether any conviction of a
36 person contained in the criminal history record background check
37 should disqualify an applicant for a Class 2 Cannabis Processor
38 license, the commission shall not take into consideration any prior
39 conviction involving a controlled dangerous substance or controlled
40 substance analog as set forth in paragraph (11) or (12) of subsection
41 b., or subparagraph (b) of paragraph (10) of subsection b. of
42 N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of
43 N.J.S.2C:35-10, or any similar indictable offense under federal law,
44 this State's law, or any other state's law. Additionally, the
45 commission shall not take into consideration any other prior
46 conviction, unless that conviction is for an indictable offense under
47 federal law, other than a conviction for conduct involving cannabis

1 or cannabis resin that is authorized by P.L. , c. (C.)
2 (pending before the Legislature as this bill), or under this State's
3 law, or any other state's law that is substantially related to the
4 qualifications, functions, or duties for which the license is required,
5 and not more than five years have passed since the date of that
6 conviction. In determining which indictable offenses are
7 substantially related to the qualifications, functions, or duties for
8 which the license is required, the commission shall at least consider
9 any conviction involving fraud, deceit, or embezzlement, and any
10 conviction for N.J.S.2C:35-6, employing a minor in a drug
11 distribution scheme, or similar indictable offense in this or another
12 jurisdiction involving the use of a minor to dispense or distribute a
13 controlled dangerous substance or controlled substance analog;

14 (ii) The commission may approve an applicant for a Class 2
15 Cannabis Processor license after conducting a thorough review of
16 any previous conviction of a person that substantially related to the
17 qualifications, functions, or duties for which the license is required
18 that is contained in the criminal history record background
19 information, and this review shall include examining the nature of
20 the indictable offense, the circumstances at the time of committing
21 the offense, and evidence of rehabilitation since conviction. If the
22 commission determines that the reviewed conviction should not
23 disqualify the applicant, the applicant may be approved so long as
24 the applicant is otherwise qualified to be issued the license¹; and

25 (d) Upon receipt and review¹ of the criminal history record
26 background information from the Division of State Police and the
27 Federal Bureau of Investigation, the ¹**["director"] commission**¹ shall
28 provide written notification to the applicant of ¹**["his"] the**¹
29 qualification for or disqualification for a Class 2 ¹**["Marijuana"]**
30 **Cannabis**¹ Processor license.

31 If the applicant is disqualified because ¹**["of"] the commission**
32 **determined that a person has**¹ a disqualifying conviction pursuant to
33 the provisions of this section, the conviction that constitutes the
34 basis for the disqualification shall be identified in the written
35 notice.

36 (e) The Division of State Police shall promptly notify the
37 ¹**["director"] commission**¹ in the event that an individual who was the
38 subject of a criminal history record background check conducted
39 pursuant to this section is convicted of a crime or offense in this
40 State after the date the background check was performed. Upon
41 receipt of that notification, the ¹**["director"] commission**¹ shall make
42 a determination regarding the continued eligibility ¹**for the**
43 **applicant, or following application, for the licensee,**¹ to hold a Class
44 2 ¹**["marijuana"] Cannabis**¹ Processor license.

45 b. The ¹**["division"] commission**¹ shall adopt rules that:

- 1 (1) Require a ¹**["marijuana"] cannabis¹** processor to annually
2 renew ¹**["a"] the Class 2 Cannabis Processor¹** license ¹**["issued under**
3 **this section"]¹**;
- 4 (2) Establish application, licensure, and renewal of licensure
5 fees for ¹**["marijuana"] cannabis¹** processors ¹**in accordance with**
6 **paragraph (2) of subsection a. of section 16 of P.L. , c. (C.)**
7 **(pending before the Legislature as this bill)¹**;
- 8 (3) Require ¹**["marijuana"] cannabis¹** produced by ¹**["marijuana"]**
9 **cannabis¹** processors to be tested in accordance with
10 P.L. , c. (C.) (pending before the Legislature as this
11 bill); ¹**and¹**
- 12 (4) ¹**["Require marijuana processors to submit, at the time of**
13 **applying for or renewing a license under P.L. , c. (C.)**
14 **(pending before the Legislature as this bill) a report describing the**
15 **applicant's or licensee's electrical and water usage;**
- 16 (5) ¹**["Require a ¹["marijuana"] cannabis¹ processor to meet any**
17 **public health and safety standards, industry best practices, and all**
18 **applicable regulations established by the ¹["division"] commission¹**
19 **by rule or regulation related to the processing of ¹["marijuana"]**
20 **cannabis¹.**
- 21 c. Fees adopted under subsection b. of this section:
- 22 (1) Shall be in the form of a schedule that imposes a greater fee
23 for premises with more square footage; and
- 24 (2) Shall be deposited in the ¹**["Marijuana Control and**
25 **Regulation"] Cannabis Regulatory and Expungement Aid**
26 **Modernization¹ Fund** established under section ¹**["39"] 71¹** of
27 P.L. , c. (C.) (pending before the Legislature as this
28 bill).
- 29 d. ¹**(1)¹** The ¹**["director"] commission¹** shall issue ¹**or deny**
30 **issuance of¹** a Class 2 ¹**["Marijuana"] Cannabis¹** Processor license
31 ¹**["if he finds that issuing such a license would be consistent with the**
32 **purposes of P.L. , c. (C.) (pending before the Legislature**
33 **as this bill) and the requirements of this section are met and the**
34 **information contained in the application has been verified. The**
35 **director shall approve or deny an application within 60 days after**
36 **receipt of a completed application. The denial of an application**
37 **shall be considered a final agency decision, subject to review by the**
38 **Appellate Division of the Superior Court.] or conditional license in**
39 **accordance with the procedures set forth in section 21 of**
40 **P.L. , c. (C.) (pending before the Legislature as this bill).**
- 41 ¹**(2)¹** The ¹**["director"] commission¹** may suspend or revoke a
42 ¹**Class 2 Cannabis Processor¹** license ¹**or conditional license¹** to
43 operate as a ¹**["marijuana"] cannabis¹** production facility for cause,
44 which shall be ¹**["subject to review by the Appellate Division of the**
45 **Superior Court"] considered a final agency action for the purposes**

1 of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-
2 1 et seq.) and shall be subject only to judicial review as provided in
3 the Rules of Court¹.

4 e. A person who has been issued a license ¹~~["pursuant to this~~
5 section] or conditional license¹ shall display the license ¹~~or~~
6 conditional license¹ at the premises at all times when ¹~~["marijuana]~~
7 cannabis¹ is being processed.

8 f. ¹~~["A]~~ As required by the commission in regulation, a¹
9 licensee ¹~~or conditional licensee~~¹ shall report ¹~~["any change]~~
10 required changes¹ in information ¹~~about the licensee~~¹ to the
11 ¹~~["director not later than 10 days after such change, or the license~~
12 shall be deemed null and void] commission within the time
13 specified by the commission¹.

14
15 ¹~~["17.] 25.~~¹ (New section) Class 3 ¹~~["Marijuana]~~ Cannabis¹
16 Wholesaler license.

17 A ¹~~["marijuana]~~ cannabis¹ wholesaler shall have a Class 3
18 ¹~~["Marijuana]~~ Cannabis¹ Wholesaler license issued by the
19 ¹~~["division]~~ commission¹ for the premises at which the
20 ¹~~["marijuana]~~ cannabis¹ is warehoused. The ¹~~["division]~~
21 commission¹ shall determine the maximum number of licenses
22 ¹~~["but, providing]~~, of which at least 35 percent shall be conditional
23 licenses issued pursuant to subparagraph (a) of paragraph (2) of
24 subsection b. of section 21 of P.L. , c. (C.) (pending before
25 the Legislature as this bill), and at least 25 percent of the total
26 number of licenses and conditional licenses shall be designated for
27 and only issued to microbusinesses pursuant subsection f. of that
28 section. Providing¹ there exist qualified applicants, ¹~~the~~
29 commission¹ shall issue a sufficient number of licenses to meet the
30 ¹~~["wholesaler]~~ market¹ demands ¹~~["that implementation of this act~~
31 requires] of the State, and may, as authorized by paragraph (1) of
32 subsection a. of section 16 of P.L. , c. (C.) (pending before
33 the Legislature as this bill), make requests for new applications for
34 additional licenses as it deems necessary to meet those demands¹.

35 ¹~~["A person who has been convicted of a crime involving any~~
36 controlled dangerous substance or controlled substance analog as
37 set forth in chapter 35 of Title 2C of the New Jersey Statutes except
38 paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law
39 of the United States or any other state shall not be issued a Class 3
40 Marijuana Wholesaler license, unless such conviction occurred after
41 the effective date of P.L. , c. (C.) (pending before the
42 Legislature as this bill) and was for a violation of federal law
43 relating to possession or sale of marijuana for conduct that is
44 authorized under P.L. , c. (C.) (pending before the
45 Legislature as this bill).]¹

- 1 a. To hold a Class 3 **‘[Marijuana] Cannabis’** Wholesaler
2 license under this section, **‘[a marijuana wholesaler] an applicant’**:
3 (1) Shall apply for a license in the manner described in section
4 **‘[13] 21’** of P.L. , c. (C.) (pending before the
5 Legislature as this bill);
6 (2) Shall **‘have at least one significantly involved person who**
7 **has resided in this State for at least two years as of the date of the**
8 **application, and’** provide proof that **‘[an applicant] this person and**
9 **any other person with an investment interest who also has decision**
10 **making authority for the cannabis wholesaler’** listed on an
11 application submitted under section **‘[13] 21’** of
12 P.L. , c. (C.) (pending before the Legislature as this bill)
13 **‘[, has been a resident of this State for two or more years, and shall**
14 **provide proof that the applicant]’** is 21 years of age or older;
15 (3) Shall meet the requirements of any rule or regulation
16 adopted by the **‘[division] commission’** under subsection b. of this
17 section; and
18 (4) Shall **‘provide for each of the following persons to’** undergo
19 a criminal history record background check: **‘any owner, other than**
20 **an owner who holds less than a five percent investment interest in**
21 **the cannabis wholesaler or who is a member of a group that holds**
22 **less than a 20 percent investment interest in the cannabis wholesaler**
23 **and no member of that group holds more than a five percent interest**
24 **in the total group investment, and who lacks the authority to make**
25 **controlling decisions regarding the cannabis wholesaler’s**
26 **operations; any director; any officer; and any employee.’**
27 (a) Pursuant to this provision, the **‘[director] commission’** is
28 authorized to exchange fingerprint data with and receive criminal
29 history record background information from the Division of State
30 Police and the Federal Bureau of Investigation consistent with the
31 provisions of applicable federal and State laws, rules, and
32 regulations. The Division of State Police shall forward criminal
33 history record background information to the **‘[director]**
34 **commission’** in a timely manner when requested pursuant to the
35 provisions of this section;
36 (b) **‘[An applicant] Each person’** shall submit to being
37 fingerprinted in accordance with applicable State and federal laws,
38 rules, and regulations. No check of criminal history record
39 background information shall be performed pursuant to this section
40 unless **‘[the applicant] a person’** has furnished his written consent
41 to that check. **‘[An applicant] A person’** who refuses to consent to,
42 or cooperate in, the securing of a check of criminal history record
43 background information shall **‘[not be] prevent the application**
44 **from being further’** considered for a wholesaler’s license. **‘[An**
45 **applicant] Each person’** shall bear the cost for the criminal history

1 record background check, including all costs of administering and
2 processing the check;

3 (c) ¹【The director shall not approve an applicant for a Class 3
4 Marijuana Wholesaler license if the criminal history record
5 background information of the applicant reveals any disqualifying
6 conviction】

7 (i) With respect to determining whether any conviction of a
8 person contained in the criminal history record background check
9 should disqualify an applicant for a Class 3 Cannabis Wholesaler
10 license, the commission shall not take into consideration any prior
11 conviction involving a controlled dangerous substance or controlled
12 substance analog as set forth in paragraph (11) or (12) of subsection
13 b., or subparagraph (b) of paragraph (10) of subsection b. of
14 N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of
15 N.J.S.2C:35-10, or any similar indictable offense under federal law,
16 this State's law, or any other state's law. Additionally, the
17 commission shall not take into consideration any other prior
18 conviction, unless that conviction is for an indictable offense under
19 federal law, other than a conviction for conduct involving cannabis
20 or cannabis resin that is authorized by P.L. , c. (C.)
21 (pending before the Legislature as this bill), or under this State's
22 law, or any other state's law that is substantially related to the
23 qualifications, functions, or duties for which the license is required,
24 and not more than five years have passed since the date of that
25 conviction. In determining which indictable offenses are
26 substantially related to the qualifications, functions, or duties for
27 which the license is required, the commission shall at least consider
28 any conviction involving fraud, deceit, or embezzlement, and any
29 conviction for N.J.S.2C:35-6, employing a minor in a drug
30 distribution scheme, or similar indictable offense in this or another
31 jurisdiction involving the use of a minor to dispense or distribute a
32 controlled dangerous substance or controlled substance analog;

33 (ii) The commission may approve an applicant for a Class 3
34 Cannabis Wholesaler license after conducting a thorough review of
35 any previous conviction of a person that substantially related to the
36 qualifications, functions, or duties for which the license is required
37 that is contained in the criminal history record background
38 information, and this review shall include examining the nature of
39 the indictable offense, the circumstances at the time of committing
40 the offense, and evidence of rehabilitation since conviction. If the
41 commission determines that the reviewed conviction should not
42 disqualify the applicant, the applicant may be approved so long as
43 the applicant is otherwise qualified to be issued the license¹; and

44 (d) Upon receipt ¹and review¹ of the criminal history record
45 background information from the Division of State Police and the
46 Federal Bureau of Investigation, the ¹【director】 commission¹ shall
47 provide written notification to the applicant of ¹【his】 the¹

1 qualification for or disqualification for a Class 3 ¹**["Marijuana]**
2 Cannabis¹ Wholesaler license.

3 If the applicant is disqualified because ¹**["of]** the commission
4 determined that a person has¹ a disqualifying conviction pursuant to
5 the provisions of this section, the conviction that constitutes the
6 basis for the disqualification shall be identified in the written
7 notice.

8 (e) The Division of State Police shall promptly notify the
9 ¹**["director]** commission¹ in the event that an individual who was the
10 subject of a criminal history record background check conducted
11 pursuant to this section is convicted of a crime or offense in this
12 State after the date the background check was performed. Upon
13 receipt of that notification, the ¹**["Director]** commission¹ shall make
14 a determination regarding the continued eligibility ¹for the
15 applicant, or following application, for the licensee¹ to hold a
16 ¹**["Marijuana]** Class 3 Cannabis¹ Wholesaler license.

17 b. The ¹**["division]** commission¹ shall adopt rules that:

18 (1) Require a ¹**["marijuana]** cannabis¹ wholesaler to annually
19 renew ¹**["a]** the Class 3 Cannabis Wholesaler¹ license ¹**["issued**
20 under this section]¹;

21 (2) Establish application, licensure, and renewal of licensure
22 fees for ¹**["marijuana]** cannabis¹ wholesalers ¹in accordance with
23 paragraph (2) of subsection a. of section 16 of P.L. , c. (C.)
24 (pending before the Legislature as this bill)¹;

25 (3) Require ¹**["marijuana]** cannabis¹ warehoused by
26 ¹**["marijuana]** cannabis¹ wholesalers to be tested in accordance with
27 P.L. , c. (C.) (pending before the Legislature as this
28 bill); ¹and¹

29 (4) ¹**["Require marijuana wholesalers to submit, at the time of**
30 applying for or renewing a license under section 13 of
31 P.L. , c. (C.) (pending before the Legislature as this
32 bill), a report describing the applicant's or licensee's electrical and
33 water usage; and

34 (5) ¹**["Require a** ¹**["marijuana]** cannabis¹ wholesaler to meet
35 any public health and safety standards, industry best practices, and
36 all applicable regulations established by the ¹**["division]**
37 commission¹ by rule or regulation related to the warehousing of
38 ¹**["marijuana]** cannabis¹.

39 c. Fees adopted under subsection b. of this section:

40 (1) Shall be in the form of a schedule that imposes a greater fee
41 for premises with more square footage; and

42 (2) Shall be deposited in the ¹**["Marijuana Control and**
43 Regulation] Cannabis Regulatory and Expungement Aid
44 Modernization¹ Fund" established under section ¹**["39]** 71¹ of

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

3 d. ¹(1)¹ The ¹["director"] commission¹ shall issue ¹or deny
4 issuance of¹ a Class 3 ¹["Marijuana"] Cannabis¹ Wholesaler license
5 ¹["if he finds that issuing such a license would be consistent with the
6 purposes of this act and the requirements of this section are met and
7 the information contained in the application has been verified. The
8 director shall approve or deny an application within 60 days after
9 receipt of a completed application. The denial of an application
10 shall be considered a final agency decision, subject to review by the
11 Appellate Division of the Superior Court."] or conditional license in
12 accordance with the procedures set forth in section 21 of P.L. , c.
13 (C.) (pending before the Legislature as this bill).

14 (2)¹ The ¹["director"] commission¹ may suspend or revoke a
15 Class 3 ¹["Marijuana"] Cannabis¹ Wholesaler license ¹or conditional
16 license to operate as a cannabis wholesaler¹ for cause, which shall
17 be ¹["subject to review by the Appellate Division of the Superior
18 Court"] considered a final agency action for the purposes of the
19 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
20 seq.) and shall be subject only to judicial review as provided in the
21 Rules of Court¹.

22 e. A person who has been issued a license ¹["pursuant to this
23 section"] or conditional license¹ shall display the license ¹or
24 conditional license¹ at the premises at all times when ¹["marijuana"]
25 cannabis¹ is being warehoused.

26 f. ¹["A"] As required by the commission in regulation, a¹
27 licensee ¹or conditional licensee¹ shall report ¹["any change"]
28 required changes¹ in information ¹about the licensee¹ to the
29 ¹["director not later than 10 days after such change, or the license
30 shall be deemed null and void"] commission within the time
31 specified by the commission¹.

32

33 ¹["18."] 26.¹(New section) Class 4 ¹["Marijuana"] Cannabis¹
34 Retailer license.

35 A ¹["marijuana"] cannabis¹ retailer shall have a Class 4
36 ¹["Marijuana"] Cannabis¹ Retailer license issued by the ¹["division"]
37 commission¹ for the premises at which the ¹["marijuana"] cannabis¹
38 is retailed. The ¹["division"] commission¹ shall determine the
39 maximum number of licenses ¹["but, providing"] , of which at least
40 35 percent shall be conditional licenses issued pursuant to
41 subparagraph (a) of paragraph (2) of subsection b. of section 21 of
42 P.L. , c. (C.) (pending before the Legislature as this bill),
43 and at least 25 percent of the total number of licenses and
44 conditional licenses shall be designated for and only issued to
45 microbusinesses pursuant subsection f. of that section. Providing¹

1 there exist qualified applicants, ¹the commission¹ shall issue a
2 sufficient number of licenses to meet the ¹**["wholesaler"] market**¹
3 demands ¹**["that implementation of this act requires"]** of the State,
4 and may, as authorized by paragraph (1) of subsection a. of section
5 16 of P.L. , c. (C.) (pending before the Legislature as this
6 bill), make requests for new applications for additional licenses as it
7 deems necessary to meet those demands¹.

8 ¹**["A person who has been convicted of a crime involving any**
9 **controlled dangerous substance or controlled substance analog as**
10 **set forth in chapter 35 of Title 2C of the New Jersey Statutes except**
11 **paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law**
12 **of the United States or any other state shall not be issued a Class 4**
13 **Marijuana Retailer license, unless such conviction occurred after**
14 **the effective date of this act and was for a violation of federal law**
15 **relating to possession or sale of marijuana for conduct that is**
16 **authorized under P.L. , c. (C.) (pending before the**
17 **Legislature as this bill)."]**¹

18 a. To hold a Class 4 ¹**["Marijuana"] Cannabis**¹ Retailer license
19 under this section, a ¹**["marijuana"] cannabis**¹ retailer:

20 (1) Shall apply for a license in the manner described in section
21 ¹**["13"] 21**¹ of P.L. , c. (C.) (pending before the
22 Legislature as this bill);

23 (2) Shall ¹have at least one significantly involved person who
24 has resided in this State for at least two years as of the date of the
25 application, and¹ provide proof that ¹**["an applicant"]** this person and
26 any other person with an investment interest who also has decision
27 making authority for the cannabis retailer¹ listed on an application
28 submitted under section ¹**["13"] 21**¹ of P.L. , c. (C.)
29 (pending before the Legislature as this bill) ¹**["**, has been a resident
30 of this State for two or more years, and shall provide proof that the
31 applicant¹ is 21 years of age or older;

32 (3) Shall meet the requirements of any rule adopted by the
33 ¹**["Division"] commission**¹ under subsection b. of this section; and

34 (4) Shall ¹provide for each of the following persons to¹ undergo
35 a criminal history record background check: ¹any owner, other than
36 an owner who holds less than a five percent investment interest in
37 the cannabis retailer or who is a member of a group that holds less
38 than a 20 percent investment interest in the cannabis retailer and no
39 member of that group holds more than a five percent interest in the
40 total group investment, and who lacks the authority to make
41 controlling decisions regarding the cannabis retailer's operations;
42 any director; any officer; and any employee.¹

43 (a) Pursuant to this provision, the ¹**["director"] commission**¹ is
44 authorized to exchange fingerprint data with and receive criminal
45 history record background information from the Division of State
46 Police and the Federal Bureau of Investigation consistent with the

1 provisions of applicable federal and State laws, rules, and
2 regulations. The Division of State Police shall forward criminal
3 history record background information to the ¹**[director]**
4 commission¹ in a timely manner when requested pursuant to the
5 provisions of this section;

6 (b) ¹**[An applicant]** Each person¹ shall submit to being
7 fingerprinted in accordance with applicable State and federal laws,
8 rules, and regulations. No check of criminal history record
9 background information shall be performed pursuant to this section
10 unless ¹**[the applicant]** a person¹ has furnished his written consent
11 to that check. ¹**[An applicant]** A person¹ who refuses to consent to,
12 or cooperate in, the securing of a check of criminal history record
13 background information shall ¹**[not be]** prevent the application
14 from being further¹ considered for a retailer's license. ¹**[An**
15 **applicant]** Each person¹ shall bear the cost for the criminal history
16 record background check, including all costs of administering and
17 processing the check;

18 (c) ¹**[The director shall not approve an applicant for a Class 4**
19 **Marijuana Retailer license if the criminal history record background**
20 **information of the applicant reveals any disqualifying conviction]**

21 (i) With respect to determining whether any conviction of a
22 person contained in the criminal history record background check
23 should disqualify an applicant for a Class 4 Cannabis Processor
24 license, the commission shall not take into consideration any prior
25 conviction involving a controlled dangerous substance or controlled
26 substance analog as set forth in paragraph (11) or (12) of subsection
27 b., or subparagraph (b) of paragraph (10) of subsection b. of
28 N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of
29 N.J.S.2C:35-10, or any similar indictable offense under federal law,
30 this State's law, or any other state's law. Additionally, the
31 commission shall not take into consideration any other prior
32 conviction, unless that conviction is for an indictable offense under
33 federal law, other than a conviction for conduct involving cannabis
34 or cannabis resin that is authorized by P.L. _____, c. (C. _____)
35 (pending before the Legislature as this bill), or under this State's
36 law, or any other state's law that is substantially related to the
37 qualifications, functions, or duties for which the license is required,
38 and not more than five years have passed since the date of that
39 conviction. In determining which indictable offenses are
40 substantially related to the qualifications, functions, or duties for
41 which the license is required, the commission shall at least consider
42 any conviction involving fraud, deceit, or embezzlement, and any
43 conviction for N.J.S.2C:35-6, employing a minor in a drug
44 distribution scheme, or similar indictable offense in this or another
45 jurisdiction involving the use of a minor to dispense or distribute a
46 controlled dangerous substance or controlled substance analog;

1 (ii) The commission may approve an applicant for a Class 4
2 Cannabis Retailer license after conducting a thorough review of any
3 previous conviction of a person that substantially related to the
4 qualifications, functions, or duties for which the license is required
5 that is contained in the criminal history record background
6 information, and this review shall include examining the nature of
7 the indictable offense, the circumstances at the time of committing
8 the offense, and evidence of rehabilitation since conviction. If the
9 commission determines that the reviewed conviction should not
10 disqualify the applicant, the applicant may be approved so long as
11 the applicant is otherwise qualified to be issued the license¹; and

12 (d) Upon receipt ¹and review¹ of the criminal history record
13 background information from the Division of State Police and the
14 Federal Bureau of Investigation, the ¹**["director"] commission**¹ shall
15 provide written notification to the applicant of ¹**["his"] the**¹
16 qualification for or disqualification for a Class 4 ¹**["Marijuana"]**
17 **Cannabis**¹ Retailer license.

18 If the applicant is disqualified because ¹**["of"] the commission**
19 **determined that a person has**¹ a disqualifying conviction pursuant to
20 the provisions of this section, the conviction that constitutes the
21 basis for the disqualification shall be identified in the written
22 notice.

23 (e) The Division of State Police shall promptly notify the
24 ¹**["director"] commission**¹ in the event that an individual who was the
25 subject of a criminal history record background check conducted
26 pursuant to this section is convicted of a crime or offense in this
27 State after the date the background check was performed. Upon
28 receipt of that notification, the ¹**["director"] commission**¹ shall make
29 a determination regarding the continued eligibility ¹for the
30 applicant, or following application, for the licensee,¹ to hold a Class
31 4 ¹**["Marijuana"] Cannabis**¹ Retailer license.

32 b. The ¹**["division"] commission**¹ shall adopt rules that:

33 (1) Require a ¹**["marijuana"] cannabis**¹ retailer to annually renew
34 ¹**["a"] the Class 4 Cannabis Retailer**¹ license ¹**["issued under this**
35 **section"]**¹;

36 (2) Establish application, licensure, and renewal of licensure
37 fees for a ¹**["marijuana"] cannabis**¹ retailer ¹in accordance with
38 paragraph (2) of subsection a. of section 16 of P.L. , c. (C.)
39 (pending before the Legislature as this bill)¹;

40 (3) Require ¹**["marijuana"] cannabis**¹ sold by a ¹**["marijuana"]**
41 **cannabis**¹ retailer to be tested in accordance with
42 P.L. , c. (C.) (pending before the Legislature as this
43 bill); ¹and¹

44 (4) ¹**["Require a marijuana retailer to submit, at the time of**
45 **applying for or renewing a license under P.L. , c. (C.)**

1 (pending before the Legislature as this bill), a report describing the
2 applicant's or licensee's electrical and water usage;

3 (5) ¹ Require a ¹ **["marijuana"]** cannabis¹ retailer to meet any
4 public health and safety standards, industry best practices, and all
5 applicable regulations established by the ¹ **["division"]** commission¹
6 by rule related to the sale of ¹ **["marijuana"]** cannabis¹.

7 c. Fees adopted under subsection b. of this section:

8 (1) Shall be in the form of a schedule that imposes a greater fee
9 for premises with more square footage; and

10 (2) Shall be deposited in the ¹ **["Marijuana Control and**
11 **Regulation"]** Cannabis Regulatory and Expungement Aid
12 Modernization¹ Fund" established under section ¹ **["39"]** 71¹ of
13 P.L. , c. (C.) (pending before the Legislature as this
14 bill).

15 d. ¹ **["(1)"]** The ¹ **["director"]** commission¹ shall issue ¹ or deny
16 issuance of¹ a Class 4 ¹ **["Marijuana"]** Cannabis¹ Retailer license ¹ if
17 he finds that issuing such a license would be consistent with the
18 purposes of this act and the requirements of this section are met and
19 the information contained in the application has been verified. The
20 director shall approve or deny an application within 60 days after
21 receipt of a completed application. The denial of an application
22 shall be considered a final agency decision, subject to review by the
23 Appellate Division of the Superior Court. ¹ or conditional license in
24 accordance with the procedures set forth in section 21 of P.L. , c.
25 (C.) (pending before the Legislature as this bill).

26 (2) ¹ The ¹ **["director"]** commission¹ may suspend or revoke a Class
27 4 ¹ **["Marijuana"]** Cannabis¹ Retailer license ¹ or conditional license to
28 operate as a cannabis retailer¹ for cause, which shall be ¹ subject to
29 review by the Appellate Division of the Superior Court ¹ considered
30 a final agency action for the purposes of the "Administrative
31 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be
32 subject only to judicial review as provided in the Rules of Court¹.

33 e. A person who has been issued a license ¹ pursuant to this
34 section ¹ or conditional license¹ shall display the license ¹ or
35 conditional license¹ at the premises at all times when ¹ **["marijuana"]**
36 cannabis¹ is being ¹ **["warehoused"]** retailed¹.

37 f. ¹ **["A"]** As required by the commission in regulation, a¹
38 licensee ¹ or conditional licensee¹ shall report ¹ any change
39 required changes¹ in information ¹ about the licensee¹ to the
40 ¹ **["director"]** not later than 10 days after such change, or the license
41 shall be deemed null and void ¹ commission within the time
42 specified by the commission¹.

43 g. ¹ **["(1)"]** Subject to receiving an endorsement pursuant to
44 section ¹ **["42"]** 72¹ of P.L. , c. (C.) (pending before the
45 Legislature as this bill) ¹ **["a"]**;

1 (1) A¹ licensed ¹["marijuana"] cannabis¹ retailer may operate a
2 ¹["retail marijuana"] cannabis¹ consumption area ¹["to sell retail
3 marijuana, retail marijuana concentrate, and retail marijuana
4 products for"] at which the¹ on-premises consumption ¹["], other than
5 smoking, on the premises"]¹ of ¹cannabis items either obtained
6 from¹ the ¹["establishment"] retailer, or brought by a person to the
7 consumption area, may occur¹.

8 (2) Each licensed ¹["marijuana"] cannabis¹ retailer may operate
9 only one ¹["retail marijuana"] cannabis¹ consumption area.

10 (3) The ¹["retail marijuana"] cannabis¹ consumption area shall be
11 ¹["physically"] either (a) an indoor, structurally enclosed area of the
12 licensed cannabis retailer that is¹ separate from the ¹["marijuana"]
13 area in which¹ retail ¹["premises and shall be located in the same
14 local jurisdiction as the marijuana retail establishment"] sales of
15 cannabis items occur or (b) an exterior structure on the same
16 premises as the retailer, either separate from or connected to the
17 retailer¹ .

18 (4) A Class 4 ¹["Marijuana"] Cannabis¹ Retailer ¹["license"]
19 licensee¹ that has been approved for a ¹["retail marijuana"] cannabis¹
20 consumption area endorsement may transfer ¹["its retail marijuana,
21 retail marijuana concentrate, and retail marijuana products"]
22 cannabis items purchased by a person in its retail establishment¹ to
23 ¹the person in¹ its ¹["retail marijuana"] cannabis¹ consumption area.
24 The Class 4 ¹["Marijuana"] Cannabis¹ Retailer licensee shall
25 ¹["package and label individually retail marijuana, retail marijuana
26 concentrate, and retail marijuana product in quantities"]¹ not ¹["to"]
27 transfer to the consumption area an amount of cannabis items that¹
28 exceed the limits established by the ¹["director"] commission¹.

29
30 ¹["19."] 27.¹ (New section) ¹["Marijuana"] Cannabis¹ Handlers.

31 a. An individual who performs work for or on behalf of a person
32 who holds a license ¹["under"] classified pursuant to section 22, 24,
33 25, or 26 of¹ P.L. , c. (C.) (pending before the
34 Legislature as this bill) shall have a valid ¹["permit"] certification¹
35 issued by the ¹["division"] commission¹ under this section if the
36 individual participates in:

37 (1) the possession, securing, or selling of ¹["marijuana"]
38 cannabis¹ items at the premises for which the license has been
39 issued; or

40 (2) the recording of the possession, securing, or selling of
41 ¹["marijuana"] cannabis¹ items at the premises for which the license
42 has been issued ¹; or

43 (3) the delivery of cannabis items¹.

1 b. A person who holds a license '[under] classified pursuant to
2 section 22, 24, 25, or 26 of¹ P.L. , c. (C.) (pending
3 before the Legislature as this bill) shall verify that an individual has
4 a valid '[permit] certification'¹ issued under this section before
5 allowing the individual to perform any work described in subsection
6 a. of this section at the premises for which the license has been
7 issued.

8 c. The '[division] commission'¹ shall issue '[permits]
9 certifications'¹ to qualified applicants to perform work described in
10 this section. The '[division] commission'¹ shall adopt rules and
11 regulations establishing: the qualifications for performing work
12 described in this section; the terms of a '[permit] certification'¹
13 issued under this section; procedures for applying for and renewing
14 a '[permit] certification'¹ issued under this section; and reasonable
15 application, issuance, and renewal fees for a '[permit]
16 certification'¹ issued under this section.

17 d. The '[division] commission'¹ may require an individual
18 applying for a '[permit] certification'¹ under this section to
19 successfully complete a course, made available by or through the
20 '[division] commission'¹, in which the individual receives training
21 on: checking identification; detecting intoxication; handling
22 '[marijuana] cannabis'¹ items; statutory and regulatory provisions
23 relating to '[marijuana] cannabis'¹; and any matter deemed
24 necessary by the '[division] commission'¹ to protect the public
25 health and safety. The '[division] commission'¹ or other provider
26 may charge a reasonable fee for the course.

27 The '[division may] commission shall'¹ not require an individual
28 to successfully complete the course more than once, except that the
29 '[division] commission'¹ may adopt regulations directing
30 continuing education training on a prescribed schedule.

31 As part of a final order suspending a '[permit] certification'¹
32 issued under this section, the '[division] commission'¹ may require
33 a '[permit]'¹ holder 'of a certification'¹ to successfully complete the
34 course as a condition of lifting the suspension and as part of a final
35 order revoking a '[permit] certification'¹ issued under this section,
36 the '[division] commission'¹ shall require an individual to
37 successfully complete the course prior to applying for a new
38 '[permit] certification'¹.

39 e. '[The division shall conduct a criminal history record
40 background check on an] (1) Each'¹ individual applying for a
41 '[permit] certification'¹ under this section 'shall undergo a criminal
42 history record background check. The commission is authorized to
43 exchange fingerprint data with and receive criminal history record
44 background information from the Division of State Police and the
45 Federal Bureau of Investigation consistent with the provisions of

1 applicable federal and State laws, rules, and regulations. The
2 Division of State Police shall forward criminal history record
3 background information to the commission in a timely manner
4 when requested pursuant to the provisions of this subsection.

5 (2) Each individual shall submit to being fingerprinted in
6 accordance with applicable State and federal laws, rules, and
7 regulations. No check of criminal history record background
8 information shall be performed pursuant to this subsection unless
9 the individual has furnished written consent to that check. Any
10 individual who refuses to consent to, or cooperate in, the securing
11 of a check of criminal history record background information shall
12 prevent the application from being further considered for a
13 certification. Each individual shall bear the cost for the criminal
14 history record background check, including all costs of
15 administering and processing the check.

16 (3) Upon receipt and review of the criminal history record
17 background information from the Division of State Police and the
18 Federal Bureau of Investigation, the commission shall provide
19 written notification to the individual of the qualification for or
20 disqualification for a certification. If the individual is disqualified
21 because of a disqualifying conviction as set forth in subsection f. of
22 this section, the conviction that constitutes the basis for the
23 disqualification shall be identified in the written notice.

24 (4) The Division of State Police shall promptly notify the
25 commission in the event that an individual who was the subject of a
26 criminal history record background check conducted pursuant to
27 this subsection is convicted of a crime in this State after the date the
28 background check was performed. Upon receipt of that
29 notification, the commission shall make a determination regarding
30 the continued eligibility to hold a certification¹.

31 f. The ¹['division] commission¹ may suspend, revoke, or
32 refuse to issue or renew a ¹['permit] certification¹ if the individual
33 who is applying for or who holds the ¹['permit] certification¹:
34 violates any provision of P.L. , c. (C.) (pending before
35 the Legislature as this bill) or any rule or regulation adopted under
36 P.L. , c. (C.) (pending before the Legislature as this
37 bill); makes a false statement to the ¹['division] commission¹;
38 refuses to cooperate in any investigation by the ¹['division]
39 commission¹; or if the individual is convicted of a crime ¹in this
40 State, another state, or under federal law¹, except that the
41 ¹['division] commission¹ may not consider a conviction for the
42 manufacture or delivery of marijuana if the date of the conviction is
43 two or more years before the date of the application or renewal ¹[';]
44 ¹, ¹ or if the date of ¹['the last] any other¹ criminal conviction is more
45 than 10 years before the date of the application or renewal.

1 g. A ¹**["permit"] certification¹** issued under this section is a
2 personal privilege and permits work described under this section
3 only for the individual who holds the ¹**["permit"] certification¹**.

4 ¹**h.** In addition to the requirements for regulations set forth in
5 paragraph (1) of subsection d. of section 8 of
6 P.L. , c. (C.) (pending before the Legislature as this bill)
7 the commission shall enact regulations to allow for a cannabis
8 retailer to engage in delivery of cannabis items by a certified
9 cannabis handler performing work for or on behalf of a cannabis
10 retailer, and which regulations shall include, but not be limited to,
11 the following requirements:

12 (1) A cannabis retailer may only deliver cannabis items to a
13 physical address in this State.

14 (2) Deliveries shall be made only to a legal consumer by a
15 certified cannabis handler who is an employee of a cannabis retailer
16 or an approved contractor vender for a cannabis retailer.

17 (3) A cannabis retailer shall not deliver to an address located on
18 land owned by the federal government or any address on land or in
19 a building leased by the federal government.

20 (4) A cannabis retailer shall staff each delivery vehicle with a
21 certified cannabis handler who is an employee of the cannabis
22 retailer who shall be at least 18 years of age, or use an approved
23 contract vendor whose delivery employees shall be at least 18 years
24 of age.

25 (5) All deliveries of cannabis items shall be made in person. A
26 delivery of cannabis items shall not be made through the use of an
27 unmanned vehicle.

28 (6) Each certified cannabis handler shall carry a copy of the
29 cannabis employee or contract vendor identification card. The
30 cannabis handler shall present the identification card upon request
31 to State and local law enforcement, and State and local regulatory
32 authorities and agencies.

33 (7) Each certified cannabis handler shall have access to a secure
34 form of communication with the cannabis retailer, such as a cellular
35 telephone, at all times that a delivery vehicle contains cannabis
36 items.

37 (8) During delivery, the certified cannabis handler shall
38 maintain a physical or electronic copy of the delivery request and
39 shall make it available upon request of the upon request to State and
40 local law enforcement, and State and local regulatory authorities
41 and agencies.

42 (9) Delivery vehicles shall be equipped with a secure lockbox in
43 a secured cargo area, which shall be used for the sanitary and secure
44 transport of cannabis items.

45 (10) A certified cannabis handler shall not leave cannabis items
46 in an unattended delivery vehicle unless the vehicle is locked and
47 equipped with an active vehicle alarm system.

1 (11) A delivery vehicle shall contain a Global Positioning
2 System (GPS) device for identifying the geographic location of the
3 delivery vehicle. The device shall be either permanently or
4 temporarily affixed to the delivery vehicle while the delivery
5 vehicle is in operation, and the device shall remain active and in the
6 possession of the certified cannabis handler at all times during
7 delivery. At all times, the cannabis retailer shall be able to identify
8 the geographic location of all delivery vehicles that are making
9 deliveries for the cannabis retailer and shall provide that
10 information to the commission upon request.

11 (12) Upon request, a cannabis retailer shall provide the
12 commission with information regarding any vehicles used for
13 delivery, including the vehicle's make, model, color, Vehicle
14 Identification Number, license plate number, and vehicle
15 registration.

16 (13) Each cannabis retailer or contract vendor of a cannabis
17 retailer shall maintain current hired and non-owned automobile
18 liability insurance sufficient to insure all vehicles used for delivery
19 of cannabis in the amount of not less than \$1,000,000 per
20 occurrence or accident.

21 (14) Each cannabis retailer shall ensure that vehicles used to
22 deliver cannabis bear no markings that would either identify or
23 indicate that the vehicle is used to deliver cannabis items.

24 (15) Each cannabis retailer shall ensure that deliveries are
25 completed in a timely and efficient manner.

26 (16) While making deliveries, a certified cannabis handler shall
27 only travel from the cannabis retailer's licensed premises to the
28 delivery address; from one delivery address to another delivery
29 address; or from a delivery address back to the cannabis retailer's
30 licensed premises. A cannabis handler shall not deviate from the
31 delivery path described in this paragraph, except in the event of
32 emergency or as necessary for rest, fuel, or vehicle repair stops, or
33 because road conditions make continued use of the route or
34 operation of the vehicle unsafe, impossible, or impracticable.

35 (17) The process of delivery begins when the certified cannabis
36 handler leaves the cannabis retailer licensed premises with the
37 cannabis items for delivery. The process of delivering ends when
38 the cannabis handler returns to the cannabis retailer's licensed
39 premises after delivering the cannabis item to the consumer.

40 (18) Each cannabis retailer shall maintain a record of each
41 delivery of cannabis items in a delivery log, which may be written
42 or electronic. For each delivery, the log shall record:

- 43 (a) The date and time that the delivery began and ended;
44 (b) The name of the certified cannabis handler;
45 (c) The cannabis items delivered;
46 (d) The lot number of the cannabis; and
47 (e) The signature of the consumer who accepted delivery.

(19) A cannabis retailer shall report any vehicle accidents, diversions, losses, or other reportable events that occur during delivery to the appropriate State and local authorities, including the commission.¹

¹[20.] 28.¹ (New section) Marketplace Regulation.

a. **¹(1)¹** For a period of **¹[36] 18¹** months after the **¹[effective date of P.L. , c. (C.) (pending before the Legislature as this bill)]** date determined by the commission pursuant to paragraph (2) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill), to be the first date on which retail sales of personal use cannabis items may occur,¹ it shall be unlawful for any owner, part owner, stockholder, officer, or director of any corporation, or any other person interested in any **¹[marijuana] cannabis¹** cultivation facility, **¹[marijuana] cannabis¹** testing facility, **¹[or marijuana] cannabis¹** product manufacturing facility, or **¹[any] cannabis¹** wholesaler **¹[of marijuana]¹**, to conduct, own either in whole or in part, or be directly or indirectly interested in the retailing of any **¹[marijuana] cannabis¹** in **¹[New Jersey] this State¹**, and such interest shall include any payments or delivery of money or property by way of loan or otherwise accompanied by an agreement to sell the product of said **¹[marijuana] cannabis¹** cultivation facility, **¹[marijuana] cannabis¹** testing facility, **¹[or marijuana] cannabis¹** product manufacturing facility, or **¹[any] cannabis¹** wholesaler **¹[of marijuana]**. During this 18-month period, the holder of a Class 1 Cannabis Grower license to operate a cannabis cultivation facility or a Class 2 Cannabis Processor license to operate a cannabis product manufacturing facility may hold one other license to operate another cannabis establishment, other than a Class 3 Cannabis Wholesaler license to operate a cannabis wholesaler or a Class 4 Cannabis Retailer license to operate a cannabis retailer; and the holder of a Class 3 Cannabis Wholesaler license to operate a cannabis wholesaler shall be limited to just that one license¹.

¹[b.] (2)¹ For a period of **¹[36] 18¹** months after the **¹[effective date of P.L. , c. (C.) (pending before the Legislature as this bill)]** date determined by the commission pursuant to paragraph (2) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill), to be the first date on which retail sales of personal use cannabis items may occur,¹ it shall be unlawful for any owner, part owner, stockholder, officer, or director of any corporation, or any other person interested in any retailing of **¹[marijuana] any cannabis¹** to conduct, own either whole or in part, or to be a shareholder, officer or director of a corporation or association, directly or indirectly, interested in any **¹[marijuana] cannabis¹** cultivation facility,

1 ¹‘[marijuana] cannabis¹ testing facility, ¹‘[or marijuana] cannabis¹
2 product manufacturing facility, or ¹‘[any] cannabis¹ wholesaler ¹‘[of
3 marijuana]¹.

4 ¹‘[c. No person, partnership, employee cooperative, association,
5 nonprofit corporation, corporation, or the agents thereof, shall hold
6 more than three marijuana establishment licenses at any time.]

7 (3) (a) (i) The provisions of paragraphs (1) and (2) of this
8 subsection shall not apply to an alternative treatment center that was
9 issued a permit prior to the effective date of P.L. , c. (C.)
10 (pending before the Legislature as Senate Committee Substitute for
11 Senate Bill Nos. 10 and 2426) or that was issued a permit after that
12 effective date pursuant to an application submitted prior to that
13 effective date, that is deemed, pursuant to section 7 of P.L.2009,
14 c.307 (C.24:6I-7), to concurrently hold a Class 1 Cannabis Grower
15 license, a Class 2 Cannabis Processor license, a Class 3 Cannabis
16 Wholesaler license, and a Class 4 Cannabis Retail license, plus an
17 additional Class 4 Cannabis Retail license for each satellite
18 dispensary that was approved prior to that act’s effective date or
19 approved after that effective date pursuant to an application
20 submitted prior to that date.

21 (ii) For each alternative treatment center deemed to have
22 licenses pursuant to subsubparagraph (i) of this subparagraph, the
23 commission shall not require the submission of an application for
24 licensure, as the application requirement is deemed satisfied by the
25 alternative treatment center’s previously approved permit
26 application to the Department of Health pursuant to section 7 of
27 P.L.2009, c.307 (C.24:6I-7), but the alternative treatment center
28 shall not begin to operate as any class of cannabis establishment
29 until the alternative treatment center has submitted a written
30 approval for a proposed cannabis establishment from the local
31 governmental entity in which the proposed establishment is to be
32 located, which approval is based on a determination that the
33 proposed establishment complies with the local governmental
34 entity’s restrictions on the time, location, manner, and number of
35 establishments enacted pursuant to section 20 of
36 P.L. , c. (C.) (pending before the Legislature as this bill);
37 additionally, on or after the date determined by the commission
38 pursuant to paragraph (2) of subsection d. of section 8 of that act to
39 be the first date on which retail sales of personal use cannabis may
40 occur, the alternate treatment center shall not engage in the retail
41 sale of cannabis until it has certified to the commission that it has
42 sufficient quantities of medical cannabis and medical cannabis
43 products available to meet the reasonably anticipated need of
44 registered qualifying patients. The commission shall issue the
45 initial license to the alternative treatment center for a cannabis
46 establishment of the appropriate class upon receipt of the local
47 governmental entity’s approval. The commission shall begin

1 accepting local governmental entity approvals from alternative
2 treatment centers within 30 days after the adoption of the
3 commission's initial rules and regulations pursuant to subparagraph
4 (a) of paragraph (1) of subsection d. of section 8 of
5 P.L. , c. (C.) (pending before the Legislature as this bill).

6 (iii) An alternative treatment center issued a license for a
7 cannabis establishment shall be authorized to use the same premises
8 for all activities authorized under P.L. , c. (C.) (pending
9 before the Legislature as this bill) and the "Jake Honig
10 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
11 (C.24:6I-1 et al.), without being required to establish or maintain
12 any physical barriers or separations between operations related to
13 the medical use of cannabis and operations related to personal use
14 cannabis, provided that the alternative treatment center shall be
15 required to certify to the commission that the alternative treatment
16 center has sufficient quantities of medical cannabis and medical
17 cannabis products available to meet the reasonably anticipated
18 treatment needs of registered qualifying patients as a condition of
19 selling personal use cannabis at retail.

20 (b) Beginning on a date determined by the commission, to be not
21 later than one year from the date determined by the commission
22 pursuant to paragraph (2) of subsection d. of section 8 of
23 P.L. , c. (C.) (pending before the Legislature as this bill) as
24 the first date on which retail sales of personal use cannabis items
25 may occur, an alternative treatment center deemed to have licenses
26 and issued initial licenses pursuant to subparagraph (a) of this
27 paragraph shall certify to the commission, within a period of time,
28 as determined by the commission, prior to the date on which a
29 license issued to the alternative treatment center is set to expire, the
30 continued material accuracy of the alternative treatment center's
31 previously approved permit application to the Department of Health
32 pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), and its
33 compliance with the provisions of P.L. , c. (C.) (pending
34 before the Legislature as this bill) as required by the commission
35 for its operations concerning personal use cannabis, and this
36 certification shall be supplemented with a new written approval
37 from the local governmental entity in which the alternative
38 treatment center is operating as a cannabis establishment for which
39 the initial license was issued, approving the continued operations as
40 a cannabis establishment. The commission shall renew the license
41 of the alternative treatment center based upon a review of the
42 certification and supporting local governmental entity's continued
43 approval. This license renewal process shall thereafter be followed
44 for each expiring license issued to the alternative treatment center.

45 b. (1) Following the 18 month period set forth in subsection a.
46 of this section, a license holder shall be authorized to concurrently
47 hold a Class 1 Cannabis Grower license, a Class 2 Cannabis
48 Processor license, a Class 3 Cannabis Wholesaler license, and a

1 Class 4 Cannabis Retail license, provided that no license holder
 2 shall be authorized to concurrently hold more than one license of
 3 each class, except for an alternative treatment center that was
 4 deemed, during the 18 month period, to have an additional Class 4
 5 Cannabis Retail license for each satellite dispensary pursuant to
 6 subsubparagraph (i) of subparagraph (a) of paragraph (3) of
 7 subsection a. of this section.

8 (2) A license holder may submit an application for a license of
 9 any type that the license holder does not currently hold prior to the
 10 expiration of the 18 month period set forth in subsection a. of this
 11 section, provided that no license shall be awarded to the license
 12 holder during the 18 month period if issuance of the license would
 13 violate the restrictions set forth in subsection a. of this section
 14 concerning the classes of licenses that may be concurrently held
 15 during that 18 month period.¹

16
 17 ¹**[21.] 29.**¹ (New section) Employers, Driving, Minors and
 18 Control of Property.

19 ¹Nothing in P.L. , c. (C.) (pending before the Legislature
 20 as this bill):¹

21 a. ¹**[Nothing in P.L. , c. (C.) (pending before the**
 22 **Legislature as this bill) is intended to require]** Requires an
 23 employer to amend or repeal, or affect, restrict or preempt the rights
 24 and obligations of employers to maintain a drug and alcohol free
 25 workplace or require¹ an employer to permit or accommodate the
 26 use, consumption, ¹being under the influence,¹ possession, transfer,
 27 display, transportation, sale, or ¹**[growing]** growth¹ of
 28 ¹**[marijuana]** cannabis or cannabis¹ items in the workplace ^{1,1} or to
 29 affect the ability of employers to have policies prohibiting
 30 ¹**[marijuana]** cannabis¹ use or intoxication by employees during
 31 work hours. No employer shall refuse to hire or employ any person
 32 or shall discharge from employment or take any adverse action
 33 against any employee with respect to compensation, terms,
 34 conditions, or other privileges of employment because that person
 35 does or does not smoke or use ¹**[marijuana]** cannabis¹ items, unless
 36 the employer has a rational basis for doing so which is reasonably
 37 related to the employment, including the responsibilities of the
 38 employee or prospective employee.

39 b. ¹**[Nothing in P.L. , c. (C.) (pending before the**
 40 **Legislature as this bill) is]** Is¹ intended to allow driving under the
 41 influence of ¹**[marijuana]** cannabis¹ items or driving while
 42 impaired by ¹**[marijuana]** cannabis¹ items or to supersede laws
 43 related to driving under the influence of marijuana ¹or cannabis¹
 44 items or driving while impaired by marijuana ¹or cannabis¹ items.

45 c. ¹**[Nothing in P.L. , c. (C.) (pending before the**
 46 **Legislature as this bill) is]** Is¹ intended to permit the transfer of

1 ¹‘[marijuana] cannabis’ items, with or without remuneration, to a
 2 person under the age of 21 or to allow a person under the age of 21
 3 to purchase, possess, use, transport, grow, or consume ¹‘[marijuana]
 4 cannabis’ items ¹, unless the person is under the age of 21, but at
 5 least 18 years of age, and an employee of a cannabis establishment
 6 acting in the person’s employment capacity’¹.

7 d. ¹‘[Nothing in] Shall, consistent with subsection c. of section
 8 4 of¹ P.L. , c. (C.) (pending before the Legislature as
 9 this bill) ‘[shall] ,’ prohibit a person ¹‘[.]’ or ¹‘[any other]’ entity
 10 that ¹‘[occupies,]’ owns ¹‘[.]’ or controls a property ¹, including a
 11 casino hotel facility as defined in section 19 of P.L.1977, c.110
 12 (C.5:12-19).’ from prohibiting or otherwise regulating the
 13 consumption, use, display, transfer, distribution, sale, ¹‘or’
 14 transportation ¹‘[, or growing]’ of ¹‘[marijuana] cannabis’ items on
 15 or in that property, ¹‘or portion thereof, including a hotel property
 16 that is a casino hotel facility as defined in section 19 of P.L.1977,
 17 c.110 (C.5:12-19), a casino as defined in section 6 of P.L.1977,
 18 c.110 (C.5:12-6), or casino simulcasting facility authorized pursuant
 19 to the “Casino Simulcasting Act,” P.L.1992, c.19 (C.5:12-191 et
 20 al.), provided that a person or entity that owns or controls
 21 multifamily housing that is a multiple dwelling as defined in section
 22 3 of P.L.1967, c.76 (C.55:13A-3) may only prohibit or otherwise
 23 regulate the smoking, but not other consumption, of cannabis items,
 24 and further’ provided that local ¹‘[government units] governmental
 25 entities’ may not prohibit possession ¹‘or consumption of cannabis
 26 items by a person 21 years of age or older as’ permitted by section
 27 4 of P.L. , c. (C.) (pending before the Legislature as this
 28 bill).

29 e. ¹‘[Nothing in P.L. , c. (C.) (pending before the
 30 Legislature as this bill) is] Is’ intended to permit any person to
 31 possess, consume, use, display, transfer, distribute, sell, transport,
 32 or grow ‘[marijuana] cannabis’ items in a school, hospital,
 33 detention facility, adult correctional facility, and youth correction
 34 facility.

35 f. ¹‘[Nothing in P.L. , c. (C.) (pending before the
 36 Legislature as this bill) is] Is’ intended to permit the smoking of
 37 ¹‘[marijuana] cannabis items’ in any place that any other law
 38 prohibits the smoking of tobacco ¹, including N.J.S.2C:33-13 and
 39 the “New Jersey Smoke-Free Air Act,” P.L.2005, c.383 (C.26:3D-
 40 55 et seq.)’. Any fines ¹‘or civil penalties’ that may be assessed for
 41 the smoking of tobacco in designated places shall be applicable to
 42 the smoking of ¹‘[marijuana] cannabis items’¹.

43

44 ¹‘[22.] 30.’ (New section) Medical ¹‘[Marijuana] Cannabis’
 45 Provisions

1 Nothing in P.L. , c. (C.) (pending before the
2 Legislature as this bill) shall be construed:

3 a. to limit any privileges or rights of a ¹‘[medical marijuana]
4 registered qualifying¹ patient, ¹‘[primary] designated¹ caregiver,
5 institutional caregiver, or alternative treatment center as provided in
6 the “¹‘[New Jersey] Jake Honig¹ Compassionate Use Medical
7 ¹‘[Marijuana] Cannabis¹ Act,” P.L.2009, c.307 (C.24:6I-1 et al.),
8 ¹‘or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹‘, or sections 57
9 through 66 of P.L. , c. (C.) (pending before the Legislature
10 as this bill) concerning the medical use of cannabis¹;

11 b. to authorize an alternative treatment center to dispense
12 ¹‘[marijuana] cannabis¹ to or on behalf of a person who is not a
13 registered qualifying patient ¹‘[except that an alternative treatment
14 center operating in good standing as of the effective date of
15 P.L. , c. (C.) (pending before the Legislature as this bill)
16 may apply for a retail license to operate immediately. A license
17 issued pursuant to this subsection may be subject to annual renewal
18 until regulations are adopted pursuant to P.L. , c. (C.)
19 (pending before the Legislature as this bill)], unless that alternative
20 treatment center is deemed to be licensed to engage in the retail sale
21 of cannabis pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7) and
22 issued a license by the commission following receipt of a local
23 governmental entity’s written approval for a cannabis retailer
24 pursuant to subparagraph (a) of paragraph (3) of subsection a. of
25 section 28 of P.L. , c. (C.) (pending before the Legislature
26 as this bill), or otherwise has applied for a license, and been
27 approved and issued a license by the commission pursuant to
28 P.L. , c. (C.) (pending before the Legislature as this bill) to
29 simultaneously operate as a cannabis retailer, and the alternative
30 treatment center has certified to the commission that it has
31 sufficient quantities of medical cannabis and medical cannabis
32 products available to meet the reasonably anticipated treatment
33 needs of registered qualifying patients as a condition of selling
34 personal use cannabis at retail¹;

35 c. to authorize an alternative treatment center to purchase or
36 acquire ¹‘[marijuana] cannabis¹ or ¹‘[marijuana] cannabis¹ products
37 in a manner or from a source not permitted under ¹‘the “Jake Honig
38 Compassionate Use Medical Cannabis Act,”¹ P.L.2009, c.307
39 (C.24:6I-1 et al.), P.L.2009, c.307 (C.24:6I-1 et al.) ¹‘]. ¹‘or¹
40 P.L.2015, c.158 (C.18A:40-12.22 et al.), ¹‘[or sections 57 through
41 66 of P.L. , c. (C.) (pending before the Legislature as this
42 bill) unless that alternative treatment center is deemed to be
43 licensed to engage in the retail sale of cannabis pursuant to section
44 7 of P.L.2009, c.307 (C.24:6I-7) and issued a license by the
45 commission following receipt of a local governmental entity’s
46 written approval for a cannabis retailer pursuant to subparagraph (a)

1 of paragraph (3) of subsection a. of section 28 of
2 P.L. , c. (C.) (pending before the Legislature as this bill), or
3 otherwise has applied for a license, and been approved and issued a
4 license by the commission pursuant to P.L. , c. (C.)
5 (pending before the Legislature as this bill) to simultaneously
6 operate as a cannabis establishment, and the alternative treatment
7 center has certified to the commission that it has sufficient
8 quantities of medical cannabis and, if applicable, medical cannabis
9 products available to meet the reasonably anticipated treatment
10 needs of registered qualifying patients as a condition of being
11 authorized to purchase or acquire cannabis or cannabis products¹;

12 d. to authorize an alternative treatment center issued a permit
13 under section 7 of P.L.2009, c.307 (C.24:6I-7) to operate on the
14 same premises as a ¹["marijuana retailer"] cannabis license holder or
15 applicant for a license, unless that alternative treatment center is
16 deemed to be licensed to engage in the retail sale of cannabis
17 pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7) and issued a
18 license by the commission following receipt of a local
19 governmental entity's written approval for a cannabis retailer
20 pursuant to subparagraph (a) of paragraph (3) of subsection a. of
21 section 28 of P.L. , c. (C.) (pending before the Legislature
22 as this bill), or otherwise has applied for a license, and been
23 approved and issued a license by the commission pursuant to
24 P.L. , c. (C.) (pending before the Legislature as this bill) to
25 simultaneously operate as a cannabis establishment, and the
26 alternative treatment center has certified to the commission that it
27 has sufficient quantities of medical cannabis and, if applicable,
28 medical cannabis products available to meet the reasonably
29 anticipated treatment needs of registered qualifying patients as a
30 condition of operating on the same premises; or

31 e. to discharge the Department of Health from its duties to
32 regulate medical ¹["marijuana"] cannabis¹ pursuant to ¹the "Jake
33 Honig Compassionate Use Medical Cannabis Act,"¹ P.L.2009,
34 c.307 (C.24:6I-1 et al.) ¹[""] and¹ P.L.2015, c.158 (C.18A:40-
35 12.22 et al.) ¹[""], or sections 57 through 66 of¹ prior to the
36 establishment of the commission and its initial promulgation of
37 rules and regulations to oversee the development, regulation, and
38 enforcement of activities associated with the personal use of
39 cannabis pursuant to¹ P.L. , c. (C.) (pending before the
40 Legislature as this bill) ¹, and to assume responsibility from the
41 department for the further development and expansion, regulation,
42 and enforcement of activities associated with the medical use of
43 cannabis pursuant to the "Jake Honig Compassionate Use Medical
44 Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015,
45 c.158 (C.18A:40-12.22 et al.)¹.

1 ¹**[23.] 31.**¹ (New section) Medical ¹**[Marijuana]** Cannabis¹ –
 2 Additional Regulatory Requirements.

3 An alternative treatment center issued a permit under section 7 of
 4 P.L.2009, c.307 (C.24:6I-7) shall, as a condition of ¹**[being issued a**
 5 **Class 4 Marijuana Retailer license]** engaging in operations
 6 associated with personal use cannabis, after being deemed to be
 7 licensed¹ pursuant ¹to that¹ section ¹**[18 of]** and issued a license by
 8 the commission following receipt of a local governmental entity's
 9 written approval for a cannabis retailer pursuant to subparagraph (a)
 10 of paragraph (3) of subsection a. of section 28 of
 11 P.L. , c. (C.) (pending before the Legislature as this bill), or
 12 otherwise issued a license by the commission pursuant to¹
 13 P.L. , c. (C.) (pending before the Legislature as this bill)
 14 ¹**[:**

15 a.] ¹to simultaneously operate as a cannabis establishment,
 16 shall¹ certify to the ¹**[Department of Health, at intervals established**
 17 **by the division,]** commission that it has¹ sufficient quantities of
 18 ¹**[approved]**¹ medical ¹**[marijuana]** cannabis and, if applicable,
 19 medical cannabis products available,¹ to meet the reasonably
 20 anticipated treatment needs of registered qualifying patients
 21 ¹**[, before personal use marijuana can be sold; and**

22 b. maintain separate areas for qualifying patients, primary
 23 caregivers, and institutional caregivers, and for personal use
 24 customers]¹.
 25

26 ¹**[24. (New section) Expungement. Any person convicted of**
 27 **marijuana possession as defined in paragraph (4) of subsection a. of**
 28 **N.J.S.2C:35-10 prior to the effective date of**
 29 **P.L. , c. (C.) (pending before the Legislature as this bill)**
 30 **shall, following the enactment of P.L. , c. (C.) (pending**
 31 **before the Legislature as this bill), be eligible to present an**
 32 **application for expungement to the Superior Court pursuant to the**
 33 **provisions of chapter 52 of Title 2C of the New Jersey Statutes.]**¹
 34

35 ¹**[25.] 32.**¹ (New section) Limitations.

36 The provisions of P.L. , c. (C.) (pending before the
 37 Legislature as this bill) shall not be construed:

38 a. To amend or affect in any way any State or federal law
 39 pertaining to employment matters;

40 b. To amend or affect in any way any State or federal law
 41 pertaining to landlord-tenant matters;

42 c. To prohibit a recipient of a federal grant or an applicant for a
 43 federal grant from prohibiting the manufacture, delivery,
 44 possession, or use of ¹**[marijuana]** cannabis items¹ to the extent
 45 necessary to satisfy federal requirements for the grant;

1 d. To prohibit a party to a federal contract or a person applying
2 to be a party to a federal contract from prohibiting the manufacture,
3 delivery, possession, or use of ¹ **["marijuana"] cannabis items**¹ to the
4 extent necessary to comply with the terms and conditions of the
5 contract or to satisfy federal requirements for the contract;

6 e. To require a person to violate a federal law; or

7 f. To exempt a person from a federal law or obstruct the
8 enforcement of a federal law.
9

10 ¹**[26. N.J.S.2C:35-4 is amended to read as follows:**

11 2C:35-4. Except as authorized by P.L.1970, c.226 (C.24:21-
12 1 et seq.), or by P.L. , c. (C.) (pending before the Legislature as this
13 bill), any person who knowingly maintains or operates any
14 premises, place or facility used for the manufacture of
15 methamphetamine, lysergic acid diethylamide, phencyclidine,
16 gamma hydroxybutyrate, flunitrazepam, marijuana in an amount
17 greater than five pounds or ten plants or any substance listed in
18 Schedule I or II, or the analog of any such substance, or any person
19 who knowingly aids, promotes, finances or otherwise participates in
20 the maintenance or operations of such premises, place or facility, is
21 guilty of a crime of the first degree and shall, except as provided in
22 N.J.S.2C:35-12, be sentenced to a term of imprisonment which shall
23 include the imposition of a minimum term which shall be fixed at,
24 or between, one-third and one-half of the sentence imposed, during
25 which the defendant shall be ineligible for parole. Notwithstanding
26 the provisions of subsection a. of N.J.S.2C:43-3, the court may also
27 impose a fine not to exceed **["\$750,000.00"] \$750,000** or five times
28 the street value of all controlled dangerous substances, controlled
29 substance analogs, gamma hydroxybutyrate or flunitrazepam at any
30 time manufactured or stored at such premises, place or facility,
31 whichever is greater.

32 (cf: P.L.1999, c.133, s.2)]¹
33

34 ¹**[27. (New section) Personal Use of Cannabis Resin.**

35 a. Notwithstanding any other provision of law, the following
36 acts are not unlawful and shall not be an offense or a basis for
37 seizure or forfeiture of assets under N.J.S.2C:64-1 et seq. or other
38 applicable law for persons 21 years of age or older:

39 (1) Possessing, using, displaying, purchasing, or transporting
40 five grams or less of resin extracted from any part of the plant
41 Genus Cannabis L. and any compound, manufacture, salt,
42 derivative, mixture, or preparation of such resin, or "Hashish;"

43 (2) Transfer of five grams or less of resin extracted from any
44 part of the Genus Cannabis L. and any compound, manufacture,
45 salt, derivative, mixture, or preparation of such resin without
46 remuneration to a person who is 21 years of age or older, provided
47 that such transfer is for non-promotional, non-business purposes;

(3) Consumption of the resin extracted from any part of the plant Genus Cannabis L. and any compound, manufacture, salt, derivative, mixture, or preparation of such resin, provided that nothing in this section shall permit a person to smoke or otherwise consume such resin or its derivatives openly in a public place; and

(4) Assisting another person who is 21 years of age or older in any of the acts described in subparagraphs (1) through (3) of this subsection.

b. It shall be unlawful for a person or persons to manufacture or process resin extracted from any part of the plant Genus Cannabis L. and any compound, manufacture, salt, derivative, mixture, or preparation of such resin, unless licensed to do so under the provisions of P.L. , c. (C.) (pending before the Legislature as this bill).¹

¹[28.] 33.¹ N.J.S.2C:35-2 is amended to read as follows:

2C:35-2. As used in this chapter:

"Administer" means the direct application of a controlled dangerous substance or controlled substance analog, whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by: (1) a practitioner (or, in his presence, by his lawfully authorized agent), or (2) the patient or research subject at the lawful direction and in the presence of the practitioner.

"Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser but does not include a common or contract carrier, public warehouseman, or employee thereof.

"Controlled dangerous substance" means a drug, substance, or immediate precursor in Schedules I through V, any substance the distribution of which is specifically prohibited in N.J.S.2C:35-3, in section 3 of P.L.1997, c.194 (C.2C:35-5.2), in section 5 of P.L.1997, c.194 (C.2C:35-5.3), in section 2 of P.L.2011, c.120 (C.2C:35-5.3a), or in section 2 of P.L.2013, c.35 (C.2C:35-5.3b), and any drug or substance which, when ingested, is metabolized or otherwise becomes a controlled dangerous substance in the human body. When any statute refers to controlled dangerous substances, or to a specific controlled dangerous substance, it shall also be deemed to refer to any drug or substance which, when ingested, is metabolized or otherwise becomes a controlled dangerous substance or the specific controlled dangerous substance, and to any substance that is an immediate precursor of a controlled dangerous substance or the specific controlled dangerous substance. The term shall not include distilled spirits, wine, malt beverages, as those terms are defined or used in R.S.33:1-1 et seq., ¹[or]¹ tobacco and tobacco products ¹, or cannabis or cannabis resin as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill)¹.

1 The term, wherever it appears in any law or administrative
2 regulation of this State, shall include controlled substance analogs.

3 "Controlled substance analog" means a substance that has a
4 chemical structure substantially similar to that of a controlled
5 dangerous substance and that was specifically designed to produce
6 an effect substantially similar to that of a controlled dangerous
7 substance. The term shall not include a substance manufactured or
8 distributed in conformance with the provisions of an approved new
9 drug application or an exemption for investigational use within the
10 meaning of section 505 of the "Federal Food, Drug and Cosmetic
11 Act," 52 Stat. 1052 (21 U.S.C. s.355).

12 "Counterfeit substance" means a controlled dangerous substance
13 or controlled substance analog which, or the container or labeling of
14 which, without authorization, bears the trademark, trade name, or
15 other identifying mark, imprint, number, or device, or any likeness
16 thereof, of a manufacturer, distributor, or dispenser other than the
17 person or persons who in fact manufactured, distributed, or
18 dispensed the substance and which thereby falsely purports or is
19 represented to be the product of, or to have been distributed by,
20 such other manufacturer, distributor, or dispenser.

21 "Deliver" or "delivery" means the actual, constructive, or
22 attempted transfer from one person to another of a controlled
23 dangerous substance or controlled substance analog, whether or not
24 there is an agency relationship.

25 "Dispense" means to deliver a controlled dangerous substance or
26 controlled substance analog to an ultimate user or research subject
27 by or pursuant to the lawful order of a practitioner, including the
28 prescribing, administering, packaging, labeling, or compounding
29 necessary to prepare the substance for that delivery. "Dispenser"
30 means a practitioner who dispenses.

31 "Distribute" means to deliver other than by administering or
32 dispensing a controlled dangerous substance or controlled substance
33 analog. "Distributor" means a person who distributes.

34 "Drugs" means (a) substances recognized in the official United
35 States Pharmacopoeia, official Homeopathic Pharmacopoeia of the
36 United States, or official National Formulary, or any supplement to
37 any of them; and (b) substances intended for use in the diagnosis,
38 cure, mitigation, treatment, or prevention of disease in man or other
39 animals; and (c) substances (other than food) intended to affect the
40 structure or any function of the body of man or other animals; and
41 (d) substances intended for use as a component of any article
42 specified in subsections (a), (b), and (c) of this section; but does not
43 include devices or their components, parts, or accessories.

44 "Drug or alcohol dependent person" means a person who as a
45 result of using a controlled dangerous substance or controlled
46 substance analog or alcohol has been in a state of psychic or
47 physical dependence, or both, arising from the use of that controlled
48 dangerous substance or controlled substance analog or alcohol on a

1 continuous or repetitive basis. Drug or alcohol dependence is
2 characterized by behavioral and other responses, including but not
3 limited to a strong compulsion to take the substance on a recurring
4 basis in order to experience its psychic effects, or to avoid the
5 discomfort of its absence.

6 "Hashish" means the resin extracted from any part of the plant
7 Genus Cannabis L. and any compound, manufacture, salt,
8 derivative, mixture, or preparation of such resin. ¹"Hashish" does
9 not include cannabis resin as defined in section 3 of
10 P.L. , c. (C.) (pending before the Legislature as this bill)
11 which is extracted in accordance with the "New Jersey Cannabis
12 Regulatory and Expungement Aid Modernization Act,"
13 P.L. , c. (C.) (pending before the Legislature as this bill),
14 for use in a cannabis item as defined in that section.¹

15 "Manufacture" means the production, preparation, propagation,
16 compounding, conversion, or processing of a controlled dangerous
17 substance or controlled substance analog, either directly or by
18 extraction from substances of natural origin, or independently by
19 means of chemical synthesis, or by a combination of extraction and
20 chemical synthesis, and includes any packaging or repackaging of
21 the substance or labeling or relabeling of its container, except that
22 this term does not include the preparation or compounding of a
23 controlled dangerous substance or controlled substance analog by
24 an individual for his own use or the preparation, compounding,
25 packaging, or labeling of a controlled dangerous substance: (1) by
26 a practitioner as an incident to his administering or dispensing of a
27 controlled dangerous substance or controlled substance analog in
28 the course of his professional practice, or (2) by a practitioner (or
29 under his supervision) for the purpose of, or as an incident to,
30 research, teaching, or chemical analysis and not for sale.

31 "Marijuana" means all parts of the plant Genus Cannabis L.,
32 whether growing or not; the seeds thereof, and every compound,
33 manufacture, salt, derivative, mixture, or preparation of the plant or
34 its seeds, except those containing resin extracted from the plant [;]
35 but shall not include the mature stalks of the plant, fiber produced
36 from the stalks, oil, or cake made from the seeds of the plant, any
37 other compound, manufacture, salt, derivative, mixture, or
38 preparation of mature stalks, fiber, oil, or cake, or the sterilized
39 seed of the plant which is incapable of germination]. ¹"Marijuana"
40 does not include cannabis as defined in section 3 of
41 P.L. , c. (C.) (pending before the Legislature as this bill)
42 which is cultivated and processed in accordance with the "New
43 Jersey Cannabis Regulatory and Expungement Aid Modernization
44 Act," P.L. , c. (C.) (pending before the Legislature as this
45 bill), for use in a cannabis item as defined in that section.¹

46 "Narcotic drug" means any of the following, whether produced
47 directly or indirectly by extraction from substances of vegetable

1 origin, or independently by means of chemical synthesis, or by a
2 combination of extraction and chemical synthesis:

- 3 (a) Opium, coca leaves, and opiates;
4 (b) A compound, manufacture, salt, derivative, or preparation of
5 opium, coca leaves, or opiates;
6 (c) A substance (and any compound, manufacture, salt,
7 derivative, or preparation thereof) which is chemically identical
8 with any of the substances referred to in subsections (a) and (b),
9 except that the words "narcotic drug" as used in this act shall not
10 include decocainized coca leaves or extracts of coca leaves, which
11 extracts do not contain cocaine or ecogine.

12 "Opiate" means any dangerous substance having an addiction-
13 forming or addiction-sustaining liability similar to morphine or
14 being capable of conversion into a drug having such addiction-
15 forming or addiction-sustaining liability. It does not include, unless
16 specifically designated as controlled pursuant to the provisions of
17 section 3 of P.L.1970, c.226 (C.24:21-3), the dextrorotatory isomer
18 of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan).
19 It does include its racemic and levorotatory forms.

20 "Opium poppy" means the plant of the species *Papaver*
21 *somniferum* L., except the seeds thereof.

22 "Person" means any corporation, association, partnership, trust,
23 other institution or entity, or one or more individuals.

24 "Plant" means an organism having leaves and a readily
25 observable root formation, including, but not limited to, a cutting
26 having roots, a rootball or root hairs.

27 "Poppy straw" means all parts, except the seeds, of the opium
28 poppy, after mowing.

29 "Practitioner" means a physician, dentist, veterinarian, scientific
30 investigator, laboratory, pharmacy, hospital, or other person
31 licensed, registered, or otherwise permitted to distribute, dispense,
32 conduct research with respect to, or administer a controlled
33 dangerous substance or controlled substance analog in the course of
34 professional practice or research in this State.

35 (a) "Physician" means a physician authorized by law to practice
36 medicine in this or any other state and any other person authorized
37 by law to treat sick and injured human beings in this or any other
38 state.

39 (b) "Veterinarian" means a veterinarian authorized by law to
40 practice veterinary medicine in this State.

41 (c) "Dentist" means a dentist authorized by law to practice
42 dentistry in this State.

43 (d) "Hospital" means any federal institution, or any institution
44 for the care and treatment of the sick and injured, operated or
45 approved by the appropriate State department as proper to be
46 entrusted with the custody and professional use of controlled
47 dangerous substances or controlled substance analogs.

1 (e) "Laboratory" means a laboratory to be entrusted with the
2 custody of narcotic drugs and the use of controlled dangerous
3 substances or controlled substance analogs for scientific,
4 experimental, and medical purposes and for purposes of instruction
5 approved by the Department of Health.

6 "Production" includes the manufacture, planting, cultivation,
7 growing, or harvesting of a controlled dangerous substance or
8 controlled substance analog.

9 "Immediate precursor" means a substance which the Division of
10 Consumer Affairs in the Department of Law and Public Safety has
11 found to be and by regulation designates as being the principal
12 compound commonly used or produced primarily for use, and
13 which is an immediate chemical intermediary used or likely to be
14 used in the manufacture of a controlled dangerous substance or
15 controlled substance analog, the control of which is necessary to
16 prevent, curtail, or limit such manufacture.

17 "Residential treatment facility" means any facility licensed and
18 approved by the Department of Human Services and which is
19 approved by any county probation department for the inpatient
20 treatment and rehabilitation of drug or alcohol dependent persons.

21 "Schedules I, II, III, IV, and V" are the schedules set forth in
22 sections 5 through 8 of P.L.1970, c.226 (C.24:21-5 through 24:21-
23 8) and in section 4 of P.L.1971, c.3 (C.24:21-8.1) and as modified
24 by any regulations issued by the Director of the Division of
25 Consumer Affairs in the Department of Law and Public Safety
26 pursuant to the director's authority as provided in section 3 of
27 P.L.1970, c.226 (C.24:21-3).

28 "State" means the State of New Jersey.

29 "Ultimate user" means a person who lawfully possesses a
30 controlled dangerous substance or controlled substance analog for
31 his own use or for the use of a member of his household or for
32 administration to an animal owned by him or by a member of his
33 household.

34 "Prescription legend drug" means any drug which under federal
35 or State law requires dispensing by prescription or order of a
36 licensed physician, veterinarian, or dentist and is required to bear
37 the statement "Rx only" or similar wording indicating that such
38 drug may be sold or dispensed only upon the prescription of a
39 licensed medical practitioner and is not a controlled dangerous
40 substance or stramonium preparation.

41 "Stramonium preparation" means a substance prepared from any
42 part of the stramonium plant in the form of a powder, pipe mixture,
43 cigarette, or any other form with or without other ingredients.

44 "Stramonium plant" means the plant *Datura Stramonium* Linne,
45 including *Datura Tatula* Linne.

46 (cf: P.L.2013, c.35, s.1)

47
48 ¹[29.] 34.¹ N.J.S.2C:35-5 is amended to read as follows:

1 2C:35-5. Manufacturing, Distributing or Dispensing. a. Except
2 as authorized by P.L.1970, c.226 (C.24:21-1 et seq.), ¹or
3 P.L. , c. (C.) (pending before the Legislature as this bill),¹
4 it shall be unlawful for any person knowingly or purposely:
5 (1) To manufacture, distribute or dispense, or to possess or have
6 under his control with intent to manufacture, distribute or dispense,
7 a controlled dangerous substance or controlled substance analog; or
8 (2) To create, distribute, or possess or have under his control
9 with intent to distribute, a counterfeit controlled dangerous
10 substance.
11 b. Any person who violates subsection a. with respect to:
12 (1) Heroin, or its analog, or coca leaves and any salt, compound,
13 derivative, or preparation of coca leaves, and any salt, compound,
14 derivative, or preparation thereof which is chemically equivalent or
15 identical with any of these substances, or analogs, except that the
16 substances shall not include decocainized coca leaves or extractions
17 which do not contain cocaine or ecogine, or 3,4-
18 methylenedioxymethamphetamine or 3,4-
19 methylenedioxyamphetamine, in a quantity of five ounces or more
20 including any adulterants or dilutants is guilty of a crime of the first
21 degree. The defendant shall, except as provided in N.J.S.2C:35-12,
22 be sentenced to a term of imprisonment by the court. The term of
23 imprisonment shall include the imposition of a minimum term
24 which shall be fixed at, or between, one-third and one-half of the
25 sentence imposed, during which the defendant shall be ineligible for
26 parole. Notwithstanding the provisions of subsection a. of
27 N.J.S.2C:43-3, a fine of up to **【\$500,000.00】** \$500,000 may be
28 imposed;
29 (2) A substance referred to in paragraph (1) of this subsection,
30 in a quantity of one-half ounce or more but less than five ounces,
31 including any adulterants or dilutants is guilty of a crime of the
32 second degree;
33 (3) A substance referred to paragraph (1) of this subsection in a
34 quantity less than one-half ounce including any adulterants or
35 dilutants is guilty of a crime of the third degree except that,
36 notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a
37 fine of up to **【\$75,000.00】** \$75,000 may be imposed;
38 (4) A substance classified as a narcotic drug in Schedule I or II
39 other than those specifically covered in this section, or the analog of
40 any such substance, in a quantity of one ounce or more including
41 any adulterants or dilutants is guilty of a crime of the second
42 degree;
43 (5) A substance classified as a narcotic drug in Schedule I or II
44 other than those specifically covered in this section, or the analog of
45 any such substance, in a quantity of less than one ounce including
46 any adulterants or dilutants is guilty of a crime of the third degree
47 except that, notwithstanding the provisions of subsection b. of

1 N.J.S.2C:43-3, a fine of up to **【\$75,000.00】** \$75,000 may be
2 imposed;

3 (6) Lysergic acid diethylamide, or its analog, in a quantity of
4 100 milligrams or more including any adulterants or dilutants, or
5 phencyclidine, or its analog, in a quantity of 10 grams or more
6 including any adulterants or dilutants, is guilty of a crime of the
7 first degree. Except as provided in N.J.S.2C:35-12, the court shall
8 impose a term of imprisonment which shall include the imposition
9 of a minimum term, fixed at, or between, one-third and one-half of
10 the sentence imposed by the court, during which the defendant shall
11 be ineligible for parole. Notwithstanding the provisions of
12 subsection a. of N.J.S.2C:43-3, a fine of up to **【\$500,000.00】**
13 \$500,000 may be imposed;

14 (7) Lysergic acid diethylamide, or its analog, in a quantity of
15 less than 100 milligrams including any adulterants or dilutants, or
16 where the amount is undetermined, or phencyclidine, or its analog,
17 in a quantity of less than 10 grams including any adulterants or
18 dilutants, or where the amount is undetermined, is guilty of a crime
19 of the second degree;

20 (8) Methamphetamine, or its analog, or phenyl-2-propanone
21 (P2P), in a quantity of five ounces or more including any
22 adulterants or dilutants is guilty of a crime of the first degree.
23 Notwithstanding the provisions of subsection a. of N.J.S.2C:43-3, a
24 fine of up to **【\$300,000.00】** \$300,000 may be imposed;

25 (9) (a) Methamphetamine, or its analog, or phenyl-2-propanone
26 (P2P), in a quantity of one-half ounce or more but less than five
27 ounces including any adulterants or dilutants is guilty of a crime of
28 the second degree;

29 (b) Methamphetamine, or its analog, or phenyl-2-propanone
30 (P2P), in a quantity of less than one-half ounce including any
31 adulterants or dilutants is guilty of a crime of the third degree
32 except that notwithstanding the provisions of subsection b. of
33 N.J.S.2C:43-3, a fine of up to **【\$75,000.00】** \$75,000 may be
34 imposed;

35 (10) (a) Marijuana in a quantity of 25 pounds or more
36 including any adulterants or dilutants, or 50 or more marijuana
37 plants, regardless of weight, or hashish in a quantity of five pounds
38 or more including any adulterants or dilutants, is guilty of a crime
39 of the first degree. Notwithstanding the provisions of subsection a.
40 of N.J.S.2C:43-3, a fine of up to **【\$300,000.00】** \$300,000 may be
41 imposed;

42 (b) Marijuana in a quantity of five pounds or more but less than
43 25 pounds including any adulterants or dilutants, or 10 or more but
44 fewer than 50 marijuana plants, regardless of weight, or hashish in a
45 quantity of one pound or more but less than five pounds, including
46 any adulterants and dilutants, is guilty of a crime of the second
47 degree;

1 (11) Marijuana in a quantity of 'more than' one ounce **'[or**
2 **more]'** but less than five pounds including any adulterants or
3 dilutants, or hashish in a quantity of 'more than' five grams **'[or**
4 **more]'** but less than one pound including any adulterants or
5 dilutants, is guilty of a crime of the third degree except that,
6 notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a
7 fine of up to **[\$25,000.00]** \$25,000 may be imposed;

8 (12) **[**Marijuana in a quantity of less than one ounce including
9 any adulterants or dilutants, or hashish in a quantity of less than five
10 grams including any adulterants or dilutants, is guilty of a crime of
11 the fourth degree;**]** **'[(Deleted by amendment,**
12 **P.L. c.) (pending before the Legislature as this bill)]**
13 **Marijuana in a quantity of one ounce (28.38 grams) or less**
14 **including any adulterants or dilutants, or hashish in a quantity of**
15 **five grams or less including any adulterants or dilutants, is guilty of**
16 **a crime of the fourth degree; but distribution of, or possessing or**
17 **having under control with intent to distribute this amount of**
18 **marijuana or hashish is presumed to be the lawful transfer or**
19 **intended transfer of cannabis or cannabis resin in accordance with**
20 **the "New Jersey Cannabis Regulatory and Expungement Aid**
21 **Modernization Act," P.L. , c. (C.) (pending before the**
22 **L Legislature as this bill) and this distribution, or possessing or**
23 **having under control with intent to distribute, alone does not**
24 **constitute reasonable articulable suspicion of an act subject to**
25 **prosecution as a crime of the fourth degree pursuant to this**
26 **paragraph;**¹

27 (13) Any other controlled dangerous substance classified in
28 Schedule I, II, III or IV, or its analog, is guilty of a crime of the
29 third degree, except that, notwithstanding the provisions of
30 subsection b. of N.J.S.2C:43-3, a fine of up to **[\$25,000.00]**
31 \$25,000 may be imposed; or

32 (14) Any Schedule V substance, or its analog, is guilty of a
33 crime of the fourth degree except that, notwithstanding the
34 provisions of subsection b. of N.J.S.2C:43-3, a fine of up to
35 **[\$25,000.00]** \$25,000 may be imposed.

36 c. Where the degree of the offense for violation of this section
37 depends on the quantity of the substance, the quantity involved
38 shall be determined by the trier of fact. Where the indictment or
39 accusation so provides, the quantity involved in individual acts of
40 manufacturing, distribution, dispensing or possessing with intent to
41 distribute may be aggregated in determining the grade of the
42 offense, whether distribution or dispensing is to the same person or
43 several persons, provided that each individual act of manufacturing,
44 distribution, dispensing or possession with intent to distribute was
45 committed within the applicable statute of limitations.

46 (cf: P.L.2000, c.136, s.1)

1 ¹30. Section 1 of P.L.1987, c.101 (C.2C:35-7) is amended to
2 read as follows:

3 1. Except as authorized by P.L. , c. (C.) (pending before the
4 Legislature as this bill):

5 a. Any person who violates subsection a. of N.J.S.2C:35-5 by
6 distributing, dispensing or possessing with intent to distribute a
7 controlled dangerous substance or controlled substance analog
8 while on any school property used for school purposes which is
9 owned by or leased to any elementary or secondary school or school
10 board, or within 1,000 feet of such school property or a school bus,
11 or while on any school bus, is guilty of a crime of the third degree
12 and shall, except as provided in N.J.S.2C:35-12, be sentenced by
13 the court to a term of imprisonment. Where the violation involves
14 less than one ounce of marijuana, the term of imprisonment shall
15 include the imposition of a minimum term which shall be fixed at,
16 or between, one-third and one-half of the sentence imposed, or one
17 year, whichever is greater, during which the defendant shall be
18 ineligible for parole. In all other cases, the term of imprisonment
19 shall include the imposition of a minimum term which shall be
20 fixed at, or between, one-third and one-half of the sentence
21 imposed, or three years, whichever is greater, during which the
22 defendant shall be ineligible for parole. Notwithstanding the
23 provisions of subsection b. of N.J.S.2C:43-3, a fine of up to
24 \$150,000 may also be imposed upon any conviction for a violation
25 of this section.

26 b. (1) Notwithstanding the provisions of N.J.S.2C:35-12 or
27 subsection a. of this section, the court may waive or reduce the
28 minimum term of parole ineligibility required under subsection a. of
29 this section or place the defendant on probation pursuant to
30 paragraph (2) of subsection b. of N.J.S.2C:43-2. In making this
31 determination, the court shall consider:

32 (a) the extent of the defendant's prior criminal record and the
33 seriousness of the offenses for which the defendant has been
34 convicted;

35 (b) the specific location of the present offense in relation to the
36 school property, including distance from the school and the
37 reasonable likelihood of exposing children to drug-related activities
38 at that location;

39 (c) whether school was in session at the time of the offense; and

40 (d) whether children were present at or in the immediate vicinity
41 of the location when the offense took place.

42 (2) The court shall not waive or reduce the minimum term of
43 parole ineligibility or sentence the defendant to probation if it finds
44 that:

45 (a) the offense took place while on any school property used for
46 school purposes which is owned by or leased to any elementary or
47 secondary school or school board, or while on any school bus; or

1 (b) the defendant in the course of committing the offense used
2 or threatened violence or was in possession of a firearm.

3 If the court at sentencing elects not to impose a minimum term of
4 imprisonment and parole ineligibility pursuant to this subsection,
5 imposes a term of parole ineligibility less than the minimum term
6 prescribed in subsection a. of this section, or places the defendant
7 on probation for a violation of subsection a. of this section, the
8 sentence shall not become final for 10 days in order to permit the
9 prosecution to appeal the court's finding and the sentence imposed.
10 The Attorney General shall develop guidelines to ensure the
11 uniform exercise of discretion in making determinations regarding
12 whether to appeal a decision to waive or reduce the minimum term
13 of parole ineligibility or place the defendant on probation.

14 Nothing in this subsection shall be construed to establish a basis
15 for overcoming a presumption of imprisonment authorized or
16 required by subsection d. of N.J.S.2C:44-1, or a basis for not
17 imposing a term of imprisonment or term of parole ineligibility
18 authorized or required to be imposed pursuant to subsection f. of
19 N.J.S.2C:43-6 or upon conviction for a crime other than the offense
20 set forth in this subsection.

21 c. Notwithstanding the provisions of N.J.S.2C:1-8 or any other
22 provisions of law, a conviction arising under this section shall not
23 merge with a conviction for a violation of subsection a. of
24 N.J.S.2C:35-5 (manufacturing, distributing or dispensing) or
25 N.J.S.2C:35-6 (employing a juvenile in a drug distribution scheme).

26 d. It shall be no defense to a prosecution for a violation of this
27 section that the actor was unaware that the prohibited conduct took
28 place while on or within 1,000 feet of any school property. Nor
29 shall it be a defense to a prosecution under this section, or under
30 any other provision of this title, that no juveniles were present on
31 the school property at the time of the offense or that the school was
32 not in session.

33 e. It is an affirmative defense to prosecution for a violation of
34 this section that the prohibited conduct took place entirely within a
35 private residence, that no person 17 years of age or younger was
36 present in such private residence at any time during the commission
37 of the offense, and that the prohibited conduct did not involve
38 distributing, dispensing or possessing with the intent to distribute or
39 dispense any controlled dangerous substance or controlled
40 substance analog for profit. The affirmative defense established in
41 this section shall be proved by the defendant by a preponderance of
42 the evidence. Nothing herein shall be construed to establish an
43 affirmative defense with respect to a prosecution for an offense
44 defined in any other section of this chapter.

45 f. In a prosecution under this section, a map produced or
46 reproduced by any municipal or county engineer for the purpose of
47 depicting the location and boundaries of the area on or within 1,000
48 feet of any property used for school purposes which is owned by or

1 leased to any elementary or secondary school or school board, or a
2 true copy of such a map, shall, upon proper authentication, be
3 admissible and shall constitute prima facie evidence of the location
4 and boundaries of those areas, provided that the governing body of
5 the municipality or county has adopted a resolution or ordinance
6 approving the map as official finding and record of the location and
7 boundaries of the area or areas on or within 1,000 feet of the school
8 property. Any map approved pursuant to this section may be
9 changed from time to time by the governing body of the
10 municipality or county. The original of every map approved or
11 revised pursuant to this section, or a true copy thereof, shall be filed
12 with the clerk of the municipality or county, and shall be
13 maintained as an official record of the municipality or county.
14 Nothing in this section shall be construed to preclude the
15 prosecution from introducing or relying upon any other evidence or
16 testimony to establish any element of this offense; nor shall this
17 section be construed to preclude the use or admissibility of any map
18 or diagram other than one which has been approved by the
19 governing body of a municipality or county, provided that the map
20 or diagram is otherwise admissible pursuant to the Rules of
21 Evidence.

22 (cf: P.L.2009, c.192, s.1) **1**¹

23
24 ¹**[31.** Section 1 of P.L.1997, c.327 (C.2C:35-7.1) is amended
25 to read as follows:

26 1. Except as authorized by P.L. , c. (C.) (pending before the
27 Legislature as this bill):

28 a. Any person who violates subsection a. of N.J.S.2C:35-5 by
29 distributing, dispensing or possessing with intent to distribute a
30 controlled dangerous substance or controlled substance analog
31 while in, on or within 500 feet of the real property comprising a
32 public housing facility, a public park, or a public building is guilty
33 of a crime of the second degree, except that it is a crime of the third
34 degree if the violation involved less than one ounce of marijuana.

35 b. It shall be no defense to a prosecution for violation of this
36 section that the actor was unaware that the prohibited conduct took
37 place while on or within 500 feet of a public housing facility, a
38 public park, or a public building.

39 c. Notwithstanding the provisions of N.J.S.2C:1-8 or any other
40 provisions of law, a conviction arising under this section shall not
41 merge with a conviction for a violation of subsection a. of
42 N.J.S.2C:35-5 (manufacturing, distributing or dispensing) or
43 N.J.S.2C:35-6 (employing a juvenile in a drug distribution scheme).
44 Nothing in this section shall be construed to preclude or limit a
45 prosecution or conviction for a violation of N.J.S.2C:35-7 or any
46 other offense defined in this chapter.

47 d. It is an affirmative defense to prosecution for a violation of
48 this section that the prohibited conduct did not involve distributing,

1 dispensing or possessing with the intent to distribute or dispense
2 any controlled dangerous substance or controlled substance analog
3 for profit, and that the prohibited conduct did not involve
4 distribution to a person 17 years of age or younger. The affirmative
5 defense established in this section shall be proved by the defendant
6 by a preponderance of the evidence. Nothing herein shall be
7 construed to establish an affirmative defense with respect to a
8 prosecution for an offense defined in any other section of this
9 chapter.

10 e. In a prosecution under this section, a map produced or
11 reproduced by any municipal or county engineer for the purpose of
12 depicting the location and boundaries of the area on or within 500
13 feet of a public housing facility which is owned by or leased to a
14 housing authority according to the "Local Redevelopment and
15 Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), the area in or
16 within 500 feet of a public park, or the area in or within 500 feet of
17 a public building, or a true copy of such a map, shall, upon proper
18 authentication, be admissible and shall constitute prima facie
19 evidence of the location and boundaries of those areas, provided
20 that the governing body of the municipality or county has adopted a
21 resolution or ordinance approving the map as official finding and
22 record of the location and boundaries of the area or areas on or
23 within 500 feet of a public housing facility, a public park, or a
24 public building. Any map approved pursuant to this section may be
25 changed from time to time by the governing body of the
26 municipality or county. The original of every map approved or
27 revised pursuant to this section, or a true copy thereof, shall be filed
28 with the clerk of the municipality or county, and shall be
29 maintained as an official record of the municipality or county.
30 Nothing in this section shall be construed to preclude the
31 prosecution from introducing or relying upon any other evidence or
32 testimony to establish any element of this offense; nor shall this
33 section be construed to preclude the use or admissibility of any map
34 or diagram other than one which has been approved by the
35 governing body of a municipality or county, provided that the map
36 or diagram is otherwise admissible pursuant to the Rules of
37 Evidence.

38 f. As used in this act:

39 "Public housing facility" means any dwelling, complex of
40 dwellings, accommodation, building, structure or facility and real
41 property of any nature appurtenant thereto and used in connection
42 therewith, which is owned by or leased to a local housing authority
43 in accordance with the "Local Redevelopment and Housing Law,"
44 P.L.1992, c.79 (C.40A:12A-1 et seq.) for the purpose of providing
45 living accommodations to persons of low income.

46 "Public park" means a park, recreation facility or area or
47 playground owned or controlled by a State, county or local
48 government unit.

1 "Public building" means any publicly owned or leased library or
2 museum.

3 (cf: P.L.1997, c.327, s.1)]¹
4

5 ¹**[32.] 35.**¹ N.J.S.2C:35-10 is amended to read as follows:

6 2C:35-10. Possession, Use or Being Under the Influence, or
7 Failure to Make Lawful Disposition.

8 a. It is unlawful for any person, knowingly or purposely, to
9 obtain, or to possess, actually or constructively, a controlled
10 dangerous substance or controlled substance analog, unless the
11 substance was obtained directly, or pursuant to a valid prescription
12 or order form from a practitioner, while acting in the course of his
13 professional practice, or except as otherwise authorized by
14 P.L.1970, c.226 (C.24:21-1 et seq.) ¹**[, or except as authorized by**
15 **P.L., c. (C.) (pending before the Legislature as this bill).]**¹.

16 Any person who violates this section with respect to:

17 (1) A controlled dangerous substance, or its analog, classified in
18 Schedule I, II, III or IV other than those specifically covered in this
19 section, is guilty of a crime of the third degree except that,
20 notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a
21 fine of up to **[\$35,000.00]** \$35,000 may be imposed;

22 (2) Any controlled dangerous substance, or its analog, classified
23 in Schedule V, is guilty of a crime of the fourth degree except that,
24 notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a
25 fine of up to **[\$15,000.00]** \$15,000 may be imposed;

26 (3) Possession of **[more than]** ¹more than¹ 50 grams ¹**[or**
27 **more]**¹ of marijuana, including any adulterants or dilutants, or more
28 than five grams of hashish is ¹**[guilty of a crime of the fourth**
29 **degree, except that, notwithstanding the provisions of subsection b.**
30 **of N.J.S.2C:43-3, a fine of up to]**¹ **[\$25,000.00]** ¹\$25,000 may be
31 imposed] a disorderly person¹; or

32 (4) Possession of **[50 grams or less]** ¹more than one ounce
33 (28.38 grams) but less than 50 grams, ¹50 grams or less¹ of
34 marijuana, including any adulterants or dilutants, **[or five grams or**
35 **less of hashish]** is a ¹**[disorderly person]** civil penalty of \$50, but if
36 the amount possessed is one ounce (28.38 grams) or less, the
37 possession is presumed to be the lawful possession of cannabis in
38 accordance with the "New Jersey Cannabis Regulatory and
39 Expungement Aid Modernization Act," P.L. , c. (C.)
40 (pending before the Legislature as this bill) and this possession
41 alone does not constitute reasonable articulable suspicion of
42 possession of marijuana subject to the \$50 civil penalty pursuant to
43 this paragraph. Possession of five grams or less of hashish is a civil
44 penalty of \$50, but possession of this amount is presumed to be the
45 lawful possession of cannabis resin in accordance with the "New
46 Jersey Cannabis Regulatory and Expungement Aid Modernization

1 Act,” P.L. , c. (C.) (pending before the Legislature as this
 2 bill) and this possession alone does not constitute reasonable
 3 articulable suspicion of possession of hashish subject to the \$50
 4 civil penalty pursuant to this paragraph. The penalties provided for
 5 in this paragraph shall be collected pursuant to the “Penalty
 6 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.),
 7 in a summary proceeding before the municipal court having
 8 jurisdiction. A penalty recovered under the provisions of this
 9 paragraph shall be recovered by and in the name of the State by the
 10 local municipality. The penalty shall be paid into the treasury of
 11 the municipality in which the violation occurred for the general use
 12 of the municipality¹.

13 Any person who commits any offense defined in this section
 14 while on any property used for school purposes which is owned by
 15 or leased to any elementary or secondary school or school board, or
 16 within 1,000 feet of any such school property or a school bus, or
 17 while on any school bus, and who is not sentenced to a term of
 18 imprisonment, shall, in addition to any other sentence which the
 19 court may impose, be required to perform not less than 100 hours of
 20 community service.

21 b. Any person who uses or who is under the influence of any
 22 controlled dangerous substance, or its analog, for a purpose other
 23 than the treatment of sickness or injury as lawfully prescribed or
 24 administered by a physician is a disorderly person.

25 In a prosecution under this subsection, it shall not be necessary
 26 for the State to prove that the accused did use or was under the
 27 influence of any specific drug, but it shall be sufficient for a
 28 conviction under this subsection for the State to prove that the
 29 accused did use or was under the influence of some controlled
 30 dangerous substance, counterfeit controlled dangerous substance, or
 31 controlled substance analog, by proving that the accused did
 32 manifest physical and physiological symptoms or reactions caused
 33 by the use of any controlled dangerous substance or controlled
 34 substance analog.

35 c. Any person who knowingly obtains or possesses a controlled
 36 dangerous substance or controlled substance analog in violation of
 37 subsection a. of this section and who fails to voluntarily deliver the
 38 substance to the nearest law enforcement officer is guilty of a
 39 disorderly persons offense. Nothing in this subsection shall be
 40 construed to preclude a prosecution or conviction for any other
 41 offense defined in this title or any other statute.

42 (cf: P.L.1997, c.181, s.6)

43

44 ¹**[33.] 36.**¹ N.J.S 2C:36-1 is amended to read as follows:
 45 2C:36-1. Drug paraphernalia, defined; determination.

46 **[As]** ¹**[Except as authorized by P.L. c. (C.) (pending**
 47 **before the Legislature as this bill), as]** a. **As**¹ used in this act, "drug
 48 paraphernalia" means all equipment, products and materials of any

1 kind which are used or intended for use in planting, propagating,
2 cultivating, growing, harvesting, manufacturing, compounding,
3 converting, producing, processing, preparing, testing, analyzing,
4 packaging, repackaging, storing, containing, concealing, ingesting,
5 inhaling, or otherwise introducing into the human body a controlled
6 dangerous substance, controlled substance analog or toxic chemical
7 in violation of the provisions of chapter 35 of this title. It shall
8 include, but not be limited to:

9 **¹[a.] (1)¹** kits used or intended for use in planting,
10 propagating, cultivating, growing or harvesting of any species of
11 plant which is a controlled dangerous substance or from which a
12 controlled dangerous substance can be derived;

13 **¹[b.] (2)¹** kits used or intended for use in manufacturing,
14 compounding, converting, producing, processing, or preparing
15 controlled dangerous substances or controlled substance analogs;

16 **¹[c.] (3)¹** isomerization devices used or intended for use in
17 increasing the potency of any species of plant which is a controlled
18 dangerous substance;

19 **¹[d.] (4)¹** testing equipment used or intended for use
20 identifying, or in analyzing the strength, effectiveness or purity of
21 controlled dangerous substances or controlled substance analogs;

22 **¹[e.] (5)¹** scales and balances used or intended for use in
23 weighing or measuring controlled dangerous substances or
24 controlled substance analogs;

25 **¹[f.] (6)¹** dilutants and adulterants, such as quinine
26 hydrochloride, mannitol, mannite, dextrose and lactose, used or
27 intended for use in cutting controlled dangerous substances or
28 controlled substance analogs;

29 **¹[g.]¹ [separation gins and sifters used or intended for use in**
30 **removing twigs and seeds from, or in otherwise cleaning or**
31 **refining, marihuana;]**

32 **¹[h.] (7) separation gins and sifters used or intended for use in**
33 **removing twigs and seeds from, or in otherwise cleaning or**
34 **refining, marijuana;**

35 **(8)¹** blenders, bowls, containers, spoons and mixing devices
36 used or intended for use in compounding controlled dangerous
37 substances or controlled substance analogs;

38 **¹[i.] (9)¹** capsules, balloons, envelopes and other containers
39 used or intended for use in packaging small quantities of controlled
40 dangerous substances or controlled substance analogs;

41 **¹[j.] (10)¹** containers and other objects used or intended for use
42 in storing or concealing controlled dangerous substances, controlled
43 substance analogs or toxic chemicals;

44 **¹[k.] (11)¹** objects used or intended for use in ingesting,
45 inhaling, or otherwise introducing **[marihuana,]** **¹marijuana,**
46 **cocaine, [hashish, hashish oil,]** **¹hashish, hashish oil,**¹ nitrous oxide

1 or the fumes of a toxic chemical into the human body, such as
 2 ¹[(1)] (a)¹ metal, wooden, acrylic, glass, stone, plastic, or ceramic
 3 pipes with or without screens, permanent screens, [hashish heads,]
 4 ¹hashish heads,¹ or punctured metal bowls; ¹[(2)] ¹water pipes;
 5 (3) ¹(b) water pipes; (c)¹ carburetion tubes and devices; [(4)]
 6 ¹[(3)] (d)¹ smoking and carburetion masks; [(5)] roach clips,
 7 meaning objects used to hold burning material, such as a marijuana
 8 cigarette, that has become too small or too short to be held in the
 9 hand; (6) (4) ¹(e) roach clips, meaning objects used to hold
 10 burning material, such as a marijuana cigarette, that has become too
 11 small or too short to be held in the hand; (f)¹ miniature cocaine
 12 spoons, and cocaine vials; [(7)] ¹[(5)] (g)¹ chamber pipes; [(8)]
 13 ¹[(6)] (h)¹ carburetor pipes; [(9)] ¹[(7)] (i)¹ electric pipes; [(10)]
 14 ¹[(8)] (j)¹ air-driven pipes; [(11)] ¹[(9)] (k)¹ chillums; [(12)]
 15 ¹[(10)] (l)¹ bongos; [(13)] ¹[(11)] (m)¹ ice pipes or chillers; [(14)]
 16 ¹[(12)] (n)¹ compressed gas containers, such as tanks, cartridges or
 17 canisters, that contain food grade or pharmaceutical grade nitrous
 18 oxide as a principal ingredient; [(15)] ¹[(13)] (o)¹ chargers or
 19 charging bottles, meaning metal, ceramic or plastic devices that
 20 contain an interior pin that may be used to expel compressed gas
 21 from a cartridge or canister; and [(16)] ¹[(14)] (p)¹ tubes,
 22 balloons, bags, fabrics, bottles or other containers used to
 23 concentrate or hold in suspension a toxic chemical or the fumes of a
 24 toxic chemical.

25 ¹b.¹ In determining whether or not an object is drug
 26 paraphernalia, the trier of fact, in addition to or as part of the
 27 proofs, may consider the following factors:

28 ¹[a.] (1) (a)¹ statements by an owner or by anyone in control of
 29 the object concerning its use;

30 ¹[b.] (b)¹ the proximity of the object ¹[of] to¹ illegally
 31 possessed controlled dangerous substances, controlled substance
 32 analogs or toxic chemicals;

33 ¹[c.] (c)¹ the existence of any residue of illegally possessed
 34 controlled dangerous substances, controlled substance analogs or
 35 toxic chemicals on the object;

36 ¹[d.] (d)¹ direct or circumstantial evidence of the intent of an
 37 owner, or of anyone in control of the object, to deliver it to persons
 38 whom he knows intend to use the object to facilitate a violation of
 39 this act; the innocence of an owner, or of anyone in control of the
 40 object, as to a direct violation of this act shall not prevent a finding
 41 that the object is intended for use as drug paraphernalia;

42 ¹[e.] (e)¹ instructions, oral or written, provided with the object
 43 concerning its use;

44 ¹[f.] (f)¹ descriptive materials accompanying the object which
 45 explain or depict its use;

1 ¹**[g.] (g)**¹ national or local advertising whose purpose the person
2 knows or should know is to promote the sale of objects intended for
3 use as drug paraphernalia;

4 ¹**[h.] (h)**¹ the manner in which the object is displayed for sale;

5 ¹**[i.] (i)**¹ the existence and scope of legitimate uses for the object
6 in the community; and

7 ¹**[j.] (j)**¹ expert testimony concerning its use.

8 ¹(2) If an object appears to be for use, intended for use, or
9 designed for use with cannabis or cannabis items in accordance with
10 the “New Jersey Cannabis Regulatory and Expungement Aid
11 Modernization Act,” P.L. , c. (C.) (pending before the
12 Legislature as this bill), the object is presumed to be a lawful
13 cannabis paraphernalia as defined in section 3 of that act (C.),
14 and does not alone constitute reasonable articulable suspicion that
15 the object is a drug paraphernalia, notwithstanding that the object
16 could also be used with marijuana, hashish, or another illegal
17 controlled substance or controlled substance analog, unless the
18 owner or anyone in control of the object was in possession of
19 marijuana, hashish, or another illegal controlled dangerous
20 substance or controlled substance analog, or the object was in
21 proximity of marijuana, hashish, or another illegally possessed
22 controlled dangerous substance or controlled substance analog to
23 indicate its use, intended use, or design for use with that controlled
24 dangerous substance or controlled substance analog.¹

25 (cf: P.L.2007, c.31, s.2)

26

27 ¹37. (New section) Dismissal of Small Amount Marijuana Cases.

28 On the date that the provisions of P.L. , c. (C.) (pending
29 before the Legislature as this bill) become operative based upon the
30 Cannabis Regulatory Commission’s adoption of the initial rules and
31 regulations, pursuant to subparagraph (a) of paragraph (1) of
32 subsection d. of section 8 of that act, concerning the legal personal
33 use cannabis marketplace, any current pending charges or current
34 prosecutions that have not yet resulted in a conviction, that are
35 based on a violation of paragraph (4) of subsection a. of
36 N.J.S.2C:35-10 for obtaining or possessing one ounce (28.38
37 grams) or less of marijuana, or five grams or less of hashish, and
38 which act would have been presumed to be a lawful act associated
39 with cannabis or cannabis resin in accordance with
40 P.L. , c. (C.) (pending before the Legislature as this bill),
41 shall no longer be further investigated and prosecuted by any law
42 enforcement agency, or the Attorney General, a county prosecutor,
43 or a municipal prosecutor. These non-prosecutable charges and
44 cases shall be expeditiously dismissed, which may be accomplished
45 by appropriate action by a law enforcement agency, or on a motion
46 to the court with jurisdiction over a case, or the court’s own
47 motion.¹

1 ¹38.(New section) a. Notwithstanding any other provision of law
2 to the contrary, beginning on the date that the provisions of
3 P.L. , c. (C.) (pending before the Legislature as this bill)
4 become operative based upon the Cannabis Regulatory
5 Commission's adoption of the initial rules and regulations, pursuant
6 to subparagraph (a) of paragraph (1) of subsection d. of section 8 of
7 that act, concerning the legal personal use cannabis marketplace, the
8 following persons may file a petition for an expedited expungement
9 at any time:

10 (1) any person who has been charged with, convicted of, or
11 adjudicated delinquent for any number of offenses which if
12 committed by an adult would constitute unlawful distribution of, or
13 possessing or having under control with intent to distribute, one
14 ounce (28.38 grams) or less of marijuana or five grams or less of
15 hashish in violation of paragraph (12) of subsection b. of
16 N.J.S.2C:35-5, and whose past violation would have been presumed
17 to be a lawful act associated with cannabis or cannabis resin in
18 accordance with P.L. , c. (C.) (pending before the
19 Legislature as this bill);

20 (2) any person who has been charged with, convicted of, or
21 adjudicated delinquent for any number of offenses which if
22 committed by an adult would constitute obtaining or possessing one
23 ounce (28.38 grams) or less of marijuana or five grams or less of
24 hashish in violation of paragraph (4) of subsection a. of
25 N.J.S.2C:35-10, and whose past violation would have been
26 presumed to be a lawful act associated with cannabis or cannabis
27 resin in accordance with P.L. , c. (C.) (pending before the
28 Legislature as this bill); or

29 (3) any person who has been charged with, convicted of, or
30 adjudicated delinquent for any number of offenses which if
31 committed by an adult would constitute using or possessing with
32 intent to use drug paraphernalia for use with marijuana or hashish
33 pursuant to N.J.S.2C:36-2, and whose past violation would have
34 been presumed to be a lawful act associated with cannabis or
35 cannabis resin in accordance with P.L. , c. (C.) (pending
36 before the Legislature as this bill).

37 b. The provisions of N.J.S.2C:52-7 through N.J.S.2C:52-14
38 shall not apply to the petition and the court, upon review of the
39 petition, shall immediately grant an expedited expungement for
40 each charge, conviction, or adjudication of delinquency pursuant to
41 this section.

42 c. No fee shall be charged for an expedited expungement
43 pursuant to this section.

44 d. The petition shall be submitted to the Judiciary Ombudsman
45 for the vicinage within which the most recent charge, conviction, or
46 adjudication of delinquency included in the petition occurred. Upon
47 receipt of a person's petition for an expedited expungement, the

1 Judiciary Ombudsman shall, in accordance with section 39 of
2 P.L. , c. (C.) (pending before the Legislature as this bill):

3 (1) review the petition;

4 (2) obtain all relevant records from the appropriate entities
5 pertaining to the petition; and

6 (3) verify the person's eligibility for an expedited expungement
7 pursuant to this section.

8 e. Upon verification of the person's eligibility for an expedited
9 expungement, the Judiciary Ombudsman shall transmit the
10 expungement petition together with the records and the verification
11 to the court. The court shall review the petition, records, and
12 verifications and shall immediately grant the expungement. The
13 court shall provide copies of the expungement order and records to
14 the person who is the subject of the petition.

15 f. Any public employee, or public agency that provides
16 information or records pursuant to this section shall be immune
17 from criminal and civil liability as a result of an act of commission
18 or omission by that person or entity arising out of and in the course
19 of participation in, or assistance with, in good faith, an expedited
20 expungement. The immunity shall be in addition to and not in
21 limitation of any other immunity provided by law.¹

22
23 ¹39. (New section) a. The Administrative Director of the Courts
24 shall require the Judiciary Ombudsman in each vicinage to assist
25 persons with the filing of a petition for expedited expungement
26 pursuant to section 38 of P.L. , c. (C.) (pending before the
27 Legislature as this bill).

28 The Judiciary Ombudsman shall provide assistance to the person
29 with:

30 (1) obtaining the necessary records from the appropriate
31 municipal, county, or State government agencies for completion of
32 the expedited expungement petition; and

33 (2) preparing and filing the expedited expungement petition
34 using the expungement e-filing system established pursuant to
35 section 41 of P.L. , c. (C.) (pending before the
36 Legislature as this bill); and

37 (3) shall maintain and provide information to any person upon
38 request about legal services programs Statewide and in each county
39 which may be available to assist the person with the expedited
40 expungement petition pursuant to section 38
41 of P.L. , c. (C.) (pending before the Legislature as this
42 bill).

43 b. Upon issuance of an expedited expungement order by a
44 court, the Judiciary Ombudsman for the vicinage within which that
45 court is located shall provide the person who is the subject of the
46 petition with a copy of the expedited expungement court order and
47 all relevant records from the appropriate entities pertaining to the
48 expedited expungement order.¹

1 ¹40. (New section) The Administrative Director of the Courts
2 shall develop and maintain a multilingual public awareness
3 campaign to promote awareness of the expedited expungement
4 program and the expungement e-filing system established pursuant
5 to sections 38 through 41 of P.L. , c. (C.) (pending before
6 the Legislature as this bill).

7 The public awareness campaign shall, at a minimum, utilize
8 electronic and print media and shall make available electronically
9 on an Internet website a petition form and a list of the supporting
10 information necessary for an expungement, including an expedited
11 expungement pursuant to section 38 of P.L. , c. (C.)
12 (pending before the Legislature as this bill), using the expungement
13 e-filing system.

14 The petition and supporting information shall be made available
15 in English, Spanish and any other language that is the primary
16 language of 10 percent or more of the registered voters in the State.

17 The Administrative Director of the Courts shall report to the
18 Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-
19 19.1) to the Legislature, no later than one year after the effective
20 date of P.L. , c. (C.) (pending before the Legislature as
21 this bill), on the activities and accomplishments of the public
22 awareness campaign.¹

23
24 ¹41. (New section) a. No later than six months after the
25 effective date of P.L. , c. (C.) (pending before the
26 Legislature as this bill), the Administrative Office of the Courts
27 shall develop and maintain a Statewide expungement e-filing
28 system for the administration of expungement petitions pursuant to
29 N.J.S.2C:52-1 et seq. As used in this section "expungement e-filing
30 system" shall mean a Statewide integrated system that includes, but
31 is not limited to, electronic filing, electronic service of process,
32 electronic document management, electronic case management and
33 electronic financial management.

34 b. Upon implementation of the Statewide expungement e-filing
35 system, no fee shall be charged for the filing of an expungement
36 application and accompanying petition pursuant to N.J.S.2C:52-1 et
37 seq.

38 c. Notwithstanding the provisions of any other law to the
39 contrary, the Supreme Court, Superior Court and the various
40 municipal courts, including joint municipal courts, shared municipal
41 courts and central municipal courts, when authorized by the
42 Supreme Court by administrative directive or other means, may
43 establish and maintain systems to accept expungement applications
44 and petitions.

45 d. After the implementation of the Statewide expungement e-
46 filing system established pursuant to this section, the
47 Administrative Director of the Courts shall submit an annual report
48 to the Governor and, pursuant to section 2 of P.L.1991, c.164

1 (C.52:14-19.1) to the Legislature, on the operation, maintenance,
2 and administration of the Statewide expungement e-filing system
3 including any recommendations as to legislative changes or
4 improvements to effectuate the purposes of sections 38 through 41
5 of P.L. , c. (C.) (pending before the Legislature as this
6 bill). The report shall assist policymakers in determining whether
7 the expungement e-filing system should be modified or expanded.
8 The report shall include statistics regarding the number of
9 applicants; the number of expungements processed; the number of
10 expungement orders issued; and any other relevant information at
11 the discretion of the Administrative Director of the Courts.¹

12
13 ¹42. N.J.S.2B:12-31 is amended to read as follows:

14 2B:12-31. Suspension of driving privileges. a. (1) **[If]** (a)
15 Except as provided in subparagraph (b) of this paragraph, if a
16 defendant charged with a disorderly persons offense, a petty
17 disorderly persons offense, a violation of a municipal ordinance, or
18 a violation of any other law of this State for which a penalty may be
19 imposed fails to appear at any scheduled court proceeding after
20 written notice has been given to said defendant pursuant to the
21 Rules of Court, a municipal court may order the suspension of the
22 person's driving privileges or nonresident reciprocity privilege or
23 prohibit the person from receiving or obtaining driving privileges
24 until the pending matter is adjudicated or otherwise disposed of,
25 except by dismissal for failure of defendant to appear.

26 (b) A municipal court shall not suspend or revoke a defendant's
27 driving privileges if the pending matter set forth in subparagraph (a)
28 of this paragraph involves:

29 (i) distribution of, or possessing or having under control with
30 intent to distribute, one ounce (28.38 grams) or less of marijuana or
31 five grams or less of hashish in violation of paragraph (12) of
32 subsection b. of N.J.S.2C:35-5;

33 (ii) obtaining or possessing one ounce (28.38 grams) or less of
34 marijuana or five grams or less of hashish in violation of paragraph
35 (4) of subsection a. of N.J.S.2C:35-10; or

36 (iii) using or possessing with intent to use drug paraphernalia for
37 use with marijuana or hashish in violation of N.J.S.2C:36-2.

38 (2) If a defendant sentenced to pay a fine or costs, make
39 restitution, perform community service, serve a term of probation,
40 or do any other act as a condition of that sentence fails to do so, a
41 municipal court may order the suspension of the person's driving
42 privileges or nonresident reciprocity privilege or prohibit the person
43 from receiving or obtaining driving privileges until the terms and
44 conditions of the sentence have been performed or modified.

45 b. Prior to any action being taken pursuant to the provisions of
46 this section, the defendant shall be given notice of the proposed
47 action and afforded an opportunity to appear before the court to
48 contest the validity of the proposed action.

1 c. The municipal court shall notify the ¹['Division of] New
2 Jersey¹ Motor ¹['Vehicles] Vehicle Commission¹ of any action
3 taken pursuant to the provisions of this section.

4 d. Any action taken by a municipal court pursuant to this
5 section shall be in addition to any other remedies which are
6 available to the court and in addition to any other penalties which
7 may be imposed by the court.

8 e. (1) When a defendant whose license has been suspended
9 pursuant to subsection a. of this section satisfies the requirements of
10 that subsection, the municipal court shall forward to the ¹['Division
11 of] New Jersey¹ Motor ¹['Vehicles] Vehicle Commission¹ a notice
12 to restore the defendant's driving privileges.

13 (2) There shall be included in the fines and penalties imposed by
14 a court on a defendant whose license has been suspended pursuant
15 to subsection a. of this section, the following:

16 (a) A fee of \$3.00 which shall be transferred to the ¹['Division
17 of] New Jersey¹ Motor ¹['Vehicles] Vehicle Commission¹;

18 (b) A penalty of \$10.00 for the issuance of the failure to appear
19 notice; and

20 (c) A penalty of \$15.00 for the order of suspension of
21 defendant's driving privileges.¹

22 (cf: N.J.S.2B:12-31)
23

24 ¹43. N.J.S.2C:35-16 is amended to read as follows:

25 2C:35-16. a. In addition to any disposition authorized by this
26 title, the provisions of section 24 of P.L.1982, c.77 (C.2A:4A-43),
27 or any other statute indicating the dispositions that can be ordered
28 for an adjudication of delinquency, and notwithstanding the
29 provisions of subsection c. of N.J.S.2C:43-2, a person convicted of
30 or adjudicated delinquent for a violation of any offense defined in
31 this chapter or chapter 36 of this title shall forthwith forfeit his right
32 to operate a motor vehicle over the highways of this State for a
33 period to be fixed by the court at not less than six months or more
34 than two years which shall commence on the day the sentence is
35 imposed unless the court finds compelling circumstances
36 warranting an exception or except as provided in subsection e. of
37 this section. For the purposes of this section, compelling
38 circumstances warranting an exception exist if the forfeiture of the
39 person's right to operate a motor vehicle over the highways of this
40 State will result in extreme hardship and alternative means of
41 transportation are not available. In the case of a person who at the
42 time of the imposition of sentence is less than 17 years of age, the
43 period of any suspension of driving privileges authorized herein,
44 including a suspension of the privilege of operating a motorized
45 bicycle, shall commence on the day the sentence is imposed and
46 shall run for a period as fixed by the court of not less than six
47 months or more than two years after the day the person reaches the

1 age of 17 years. If the driving privilege of any person is under
2 revocation, suspension, or postponement for a violation of any
3 provision of this title or Title 39 of the Revised Statutes at the time
4 of any conviction or adjudication of delinquency for a violation of
5 any offense defined in this chapter or chapter 36 of this title, any
6 revocation, suspension, or postponement period imposed herein
7 shall commence as of the date of termination of the existing
8 revocation, suspension, or postponement.

9 b. If forfeiture or postponement of driving privileges is ordered
10 by the court pursuant to subsection a. of this section, the court shall
11 collect forthwith the New Jersey driver's license or licenses of the
12 person and forward such license or licenses to the Chief
13 Administrator of the New Jersey Motor Vehicle Commission along
14 with a report indicating the first and last day of the suspension or
15 postponement period imposed by the court pursuant to this section.
16 If the court is for any reason unable to collect the license or licenses
17 of the person, the court shall cause a report of the conviction or
18 adjudication of delinquency to be filed with the Chief
19 Administrator. That report shall include the complete name,
20 address, date of birth, eye color, and sex of the person and shall
21 indicate the first and last day of the suspension or postponement
22 period imposed by the court pursuant to this section. The court shall
23 inform the person orally and in writing that if the person is
24 convicted of personally operating a motor vehicle during the period
25 of license suspension or postponement imposed pursuant to this
26 section, the person shall, upon conviction, be subject to the
27 penalties set forth in R.S.39:3-40. A person shall be required to
28 acknowledge receipt of the written notice in writing. Failure to
29 receive a written notice or failure to acknowledge in writing the
30 receipt of a written notice shall not be a defense to a subsequent
31 charge of a violation of R.S.39:3-40. If the person is the holder of a
32 driver's license from another jurisdiction, the court shall not collect
33 the license but shall notify forthwith the Chief Administrator who
34 shall notify the appropriate officials in the licensing jurisdiction.
35 The court shall, however, in accordance with the provisions of this
36 section, revoke the person's non-resident driving privilege in this
37 State.

38 c. In addition to any other condition imposed, a court may in
39 its discretion suspend, revoke or postpone in accordance with the
40 provisions of this section the driving privileges of a person admitted
41 to supervisory treatment under N.J.S.2C:36A-1 or N.J.S.2C:43-12
42 without a plea of guilty or finding of guilt.

43 d. After sentencing and upon notice to the prosecutor, a person
44 subject to suspension or postponement of driving privileges under
45 this section may seek revocation of the remaining portion of any
46 suspension or postponement based on compelling circumstances
47 warranting an exception that were not raised at the time of

1 sentencing. The court may revoke the suspension or postponement
2 if it finds compelling circumstances.

3 e. The forfeiture or postponement of driving privileges set
4 forth in subsection a. of this section shall not apply to any person
5 convicted of or adjudicated delinquent for an offense which if
6 committed by an adult would constitute:

7 (1) distribution of, or possessing or having under control with
8 intent to distribute, one ounce (28.38 grams) or less of marijuana or
9 five grams or less of hashish in violation of paragraph (12) of
10 subsection b. of N.J.S.2C:35-5;

11 (2) obtaining or possessing one ounce (28.38 grams) or less of
12 marijuana or five grams or less of hashish in violation of paragraph
13 (4) of subsection a. of N.J.S.2C:35-10; or

14 (3) using or possessing with intent to use drug paraphernalia for
15 use with marijuana or hashish in violation of N.J.S.2C:36-2.¹

16 (cf:P.L.2008, c.84, s.2)

17
18 ^{144.} The title of P.L.1981, c.197 is amended to read as follows:
19 **AN ACT** concerning the unauthorized bringing of alcoholic
20 beverages or cannabis items onto school premises, and
21 supplementing chapter 33 of Title 2C of the New Jersey
22 Statutes.¹

23 (cf: P.L.1981, c.197, title)

24
25 ^{145.} Section 1 of P.L.1981, c.197 (C.2C:33-16) is amended to
26 read as follows:

27 1. Any person of legal age to purchase alcoholic beverages or
28 cannabis items, who knowingly and without the express written
29 permission of the school board, its delegated authority, or any
30 school principal, or as authorized pursuant to the “Jake Honig Use
31 Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et seq.) or
32 P.L.2015, c.158 (C.18A:40-12.22 et al.) to engage in the medical
33 use of cannabis, brings or possesses any alcoholic beverages or
34 cannabis items on any property used for school purposes which is
35 owned by any school or school board, is guilty of a disorderly
36 persons offense. For purposes of this section, an alcoholic beverage
37 includes powdered alcohol as defined by R.S.33:1-1, and a cannabis
38 item includes any item available for lawful consumption pursuant to
39 the “New Jersey Cannabis Regulatory and Expungement Aid
40 Modernization Act,” P.L. , c. (C.) (pending before the
41 Legislature as this bill).¹

42 (cf: P.L.1981, c.197, s.1)

43
44 ^{146.} R.S.40:48-1 is amended to read as follows:

45 40:48-1. Ordinances; general purpose. The governing body of
46 every municipality may make, amend, repeal and enforce
47 ordinances to:

1 Finances and property. 1. Manage, regulate and control the
2 finances and property, real and personal, of the municipality;

3 Contracts and contractor's bonds. 2. Prescribe the form and
4 manner of execution and approval of all contracts to be executed by
5 the municipality and of all bonds to be given to it;

6 Officers and employees; duties, terms and salaries. 3. Prescribe
7 and define, except as otherwise provided by law, the duties and
8 terms of office or employment, of all officers and employees; and to
9 provide for the employment and compensation of such officials and
10 employees, in addition to those provided for by statute, as may be
11 deemed necessary for the efficient conduct of the affairs of the
12 municipality;

13 Fees. 4. Fix the fees of any officer or employee of the
14 municipality for any service rendered in connection with his office
15 or position, for which no specific fee or compensation is provided.
16 In the case of salaried officers or employees, such fee shall be paid
17 into the municipal treasury;

18 Salaries instead of fees; disposition of fees. 5. Provide that any
19 officer or employee receiving compensation for his services, in
20 whole or in part by fees, whether paid by the municipality or
21 otherwise, shall be paid a salary to be fixed in the ordinance, and
22 thereafter all fees received by such officer or employee shall be
23 paid into the municipal treasury;

24 Maintain order. 6. Prevent vice, drunkenness and immorality; to
25 preserve the public peace and order; to prevent and quell riots,
26 disturbances and disorderly assemblages; to prohibit the
27 consumption of alcoholic beverages or cannabis items by underage
28 persons on private property pursuant to section 1 of P.L.2000, c.33
29 (C.40:48-1.2);

30 Punish beggars; prevention of loitering. 7. Restrain and punish
31 drunkards, vagrants, mendicants and street beggars; to prevent
32 loitering, lounging or sleeping in the streets, parks or public places;

33 Auctions and noises. 8. Regulate the ringing of bells and the
34 crying of goods and other commodities for sale at auction or
35 otherwise, and to prevent disturbing noises;

36 Swimming; bathing costume; prohibition of public nudity. 9.
37 Regulate or prohibit swimming or bathing in the waters of, in, or
38 bounding the municipality, and to regulate or prohibit persons from
39 appearing upon the public streets, parks and places clad in bathing
40 costumes or robes, or costumes of a similar character; regulate or
41 prohibit persons from appearing in a state of nudity upon all lands
42 within its borders which are under the jurisdiction of the State
43 including, without limitation, all lands owned by, controlled by,
44 managed by or leased by the State;

45 Prohibit annoyance of persons or animals. 10. Regulate or
46 prohibit any practice tending to frighten animals, or to annoy or
47 injure persons in the public streets;

1 Animals; pounds; establishment and regulation. 11. Establish and
2 regulate one or more pounds, and to prohibit or regulate the running
3 at large of horses, cattle, dogs, swine, goats and other animals, and
4 to authorize their impounding and sale for the penalty incurred, and
5 the costs of impounding, keeping and sale; to regulate or prohibit
6 the keeping of cattle, goats or swine in any part of the municipality;
7 to authorize the destruction of dogs running at large therein;

8 Hucksters. 12. Prescribe and regulate the place of vending or
9 exposing for sale articles of merchandise from vehicles;

10 Building regulations; wooden structures. 13. Regulate and
11 control the construction, erection, alteration and repair of buildings
12 and structures of every kind within the municipality; and to
13 prohibit, within certain limits, the construction, erection or
14 alteration of buildings or structures of wood or other combustible
15 material;

16 Inflammable materials; inspect docks and buildings. 14. Regulate
17 the use, storage, sale and disposal of inflammable or combustible
18 materials, and to provide for the protection of life and property from
19 fire, explosions and other dangers; to provide for inspections of
20 buildings, docks, wharves, warehouses and other places, and of
21 goods and materials contained therein, to secure the proper
22 enforcement of such ordinance;

23 Dangerous structures; removal or destruction; procedure. 15.
24 Provide for the removal or destruction of any building, wall or
25 structure which is or may become dangerous to life or health, or
26 might tend to extend a conflagration; and to assess the cost thereof
27 as a municipal lien against the premises;

28 Chimneys and boilers. 16. Regulate the construction and setting
29 up of chimneys, furnaces, stoves, boilers, ovens and other
30 contrivances in which fire is used;

31 Explosives. 17. Regulate, in conformity with the statutes of this
32 State, the manufacture, storage, sale, keeping or conveying of
33 gunpowder, nitroglycerine, dynamite and other explosives;

34 Firearms and fireworks. 18. Regulate and prohibit the sale and
35 use of guns, pistols, firearms, and fireworks of all descriptions;

36 Soft coal. 19. Regulate the use of soft coal in locomotives,
37 factories, power houses and other places;

38 Theaters, schools, churches and public places. 20. Regulate the
39 use of theaters, cinema houses, public halls, schools, churches, and
40 other places where numbers of people assemble, and the exits
41 therefrom, so that escape therefrom may be easily and safely made
42 in case of fire or panic; and to regulate any machinery, scenery,
43 lights, wires and other apparatus, equipment or appliances used in
44 all places of public amusement;

45 Excavations. 21. Regulate excavations below the established
46 grade or curb line of any street, not greater than eight feet, which
47 the owner of any land may make, in the erection of any building
48 upon his own property; and to provide for the giving of notice, in

1 writing, of such intended excavation to any adjoining owner or
2 owners, and that they will be required to protect and care for their
3 several foundation walls that may be endangered by such
4 excavation; and to provide that in case of the neglect or refusal, for
5 10 days, of such adjoining owner or owners to take proper action to
6 secure and protect the foundations of any adjacent building or other
7 structure, that the party or parties giving such notice, or their
8 agents, contractors or employees, may enter into and upon such
9 adjoining property and do all necessary work to make such
10 foundations secure, and may recover the cost of such work and
11 labor in so protecting such adjacent property; and to make such
12 further and other provisions in relation to the proper conduct and
13 performance of said work as the governing body or board of the
14 municipality may deem necessary and proper;

15 Sample medicines. 22. Regulate and prohibit the distribution,
16 depositing or leaving on the public streets or highways, public
17 places or private property, or at any private place or places within
18 any such municipality, any medicine, medicinal preparation or
19 preparations represented to cure ailments or diseases of the body or
20 mind, or any samples thereof, or any advertisements or circulars
21 relating thereto, but no ordinance shall prohibit a delivery of any
22 such article to any person above the age of 12 years willing to
23 receive the same;

24 Boating. 23. Regulate the use of motor and other boats upon
25 waters within or bounding the municipality;

26 Fire escapes. 24. Provide for the erection of fire escapes on
27 buildings in the municipality, and to provide rules and regulations
28 concerning the construction and maintenance of the same, and for
29 the prevention of any obstruction thereof or thereon;

30 Care of injured employees. 25. Provide for the payment of
31 compensation and for medical attendance to any officer or
32 employee of the municipality injured in the performance of his
33 duty;

34 Bulkheads and other structures. 26. Fix and determine the lines
35 of bulkheads or other works or structures to be erected, constructed
36 or maintained by the owners of lands facing upon any navigable
37 water in front of their lands, and in front of or along any highway or
38 public lands of said municipality, and to designate the materials to
39 be used, and the type, height and dimensions thereof;

40 Lifeguard. 27. Establish, maintain, regulate and control a
41 lifeguard upon any beach within or bordering on the municipality;

42 Appropriation for life-saving apparatus. 28. Appropriate moneys
43 to safeguard people from drowning within its borders, by location
44 of apparatus or conduct of educational work in harmony with the
45 plans of the United States volunteer life-saving corps in this State;

46 Fences. 29. Regulate the size, height and dimensions of any
47 fences between the lands of adjoining owners, whether built or
48 erected as division or partition fences between such lands, and

1 whether the same exist or be erected entirely or only partly upon the
2 lands of any such adjoining owners, or along or immediately
3 adjacent to any division or partition line of such lands. To provide,
4 in such ordinance, the manner of securing, fastening or shoring such
5 fences, and for surveying the land when required by statute, and to
6 prohibit in any such ordinance the use at a height of under 10 feet
7 from the ground, of any device, such as wire or cable, that would be
8 dangerous to pedestrians, equestrians, bicyclists, or drivers of off-
9 the-road vehicles, unless that device is clearly visible to pedestrians,
10 equestrians, bicyclists or drivers of off-the-road vehicles. In the
11 case of fences thereafter erected contrary to the provisions thereof,
12 the governing body may provide for a penalty for the violation of
13 such ordinance, and in the case of such fence or fences erected or
14 existing at the time of the passage of any such ordinance, may
15 provide therein for the removal, change or alteration thereof, so as
16 to make such fence or fences comply with the provisions of any
17 such ordinance;

18 Advertise municipality. 30. Appropriate funds for advertising the
19 advantages of the municipality;

20 Government Energy Aggregation Programs. 31. Establish
21 programs and procedures pursuant to which the municipality may
22 act as a government aggregator pursuant to sections 40 through 43
23 of P.L.1999, c.23 (C.48:3-89 through C.48:3-92), section 45 of
24 P.L.1999, c.23 (C.48:3-94), and sections 1, 2 and 6 of P.L.2003,
25 c.24 (C.48:3-93.1 through C.48:3-93.3). Notwithstanding the
26 provisions of any other law, rule or regulation to the contrary, a
27 municipality acting as a government aggregator pursuant to
28 P.L.1999, c.23 (C.48:3-49 et al.) shall not be deemed to be a public
29 utility pursuant to R.S.40:62-24 or R.S.48:1-1 et seq. or be deemed
30 to be operating any form of public utility service pursuant to
31 R.S.40:62-1 et seq., to the extent such municipality is solely
32 engaged in the provision of such aggregation service and not
33 otherwise owning or operating any plant or facility for the
34 production or distribution of gas, electricity, steam or other product
35 as provided in R.S.40:62-12;

36 Joint municipal action on consent for the provision of cable
37 television service. 32. Establish programs and procedures pursuant
38 to which a municipality may act together with one or more
39 municipalities in granting municipal consent for the provision of
40 cable television service pursuant to the provisions of the "Cable
41 Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.) as amended
42 and supplemented. Notwithstanding the provisions of any other
43 law, rule or regulation to the contrary, two or more municipalities
44 acting jointly pursuant to the provisions of P.L.1972, c.186
45 (C.48:5A-1 et seq.) shall not be deemed a public utility pursuant to
46 R.S.48:1-1 et seq., to the extent those municipalities are solely
47 engaged in granting municipal consent jointly and are not otherwise
48 owning or operating any facility for the provision of cable

1 television service as provided in P.L.1972, c.186 (C.48:5A-
2 1 et seq.);

3 Private cable television service aggregation programs. 33.
4 Establish programs and procedures pursuant to which a
5 municipality may employ the services of a private aggregator for
6 the purpose of facilitating the joint action of two or more
7 municipalities in granting municipal consent for the provision of
8 cable television service provided that any such municipality shall
9 adhere to the provisions of the "Cable Television Act," P.L.1972,
10 c.186 (C.48:5A-1 et seq.) as amended and supplemented, and to the
11 provisions of the "Local Public Contracts Law," P.L.1971, c.198
12 (C.40A:11-1 et seq.) as amended and supplemented.
13 Notwithstanding the provisions of any other law, rule or regulation
14 to the contrary, a municipality that employs the services of a private
15 aggregator pursuant to the provisions of P.L.1972, c.186 (C.48:5A-
16 1 et seq.) shall not be deemed a public utility pursuant to R.S.48:1-
17 1 et seq., to the extent that the municipality is solely engaged in
18 employing the services of a private aggregator for the purpose of
19 facilitating the joint action of two or more municipalities in
20 granting municipal consent and is not otherwise owning or
21 operating any facility for the provision of cable television service as
22 provided in P.L.1972, c.186 (C.48:5A-1 et seq.);

23 Protective Custody. 34. Provide protective custody to persons
24 arrested for operating a motor vehicle under the influence of
25 alcoholic beverages, cannabis items as defined in section 3 of
26 P.L. , c. (C.) (pending before the Legislature as this bill),
27 any chemical substance, or any controlled dangerous substance in
28 violation of R.S.39:4-50 as provided in section 1 of P.L.2003, c.164
29 (C.40:48-1.3);

30 Private Outdoor Video Surveillance Camera Registry. 35.
31 Establish a private outdoor video surveillance camera registry and
32 allow voluntary registration of private outdoor video surveillance
33 cameras as provided in P.L.2015, c.142 (C.40:48-1.6 et al.).
34 (cf: P.L.2015, c.142, s.3)
35

36 ¹47. (New section) A municipality may enact an ordinance
37 making it unlawful for any person who is of legal age and
38 consumes, other than by smoking, a cannabis item available for
39 lawful consumption pursuant to the "New Jersey Cannabis
40 Regulatory and Expungement Aid Modernization Act,"
41 P.L. , c. (C.) (pending before the Legislature as this bill), in
42 any public place as defined in section 3 of that act (C.), or as
43 prohibited by the owner or person responsible for the operation of
44 the public place, and the person may be subject to a civil penalty of
45 up to \$200, which shall be recovered in a civil action by a summary
46 proceeding in the name of the municipality pursuant to the "Penalty
47 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
48 The municipal court and the Superior Court shall have jurisdiction

1 of proceedings for the enforcement of the penalty provided by this
2 section.¹

3
4 ¹48. The title of P.L.1979, c.264 is amended to read as follows:
5 **AN ACT** concerning certain alcoholic beverage and cannabis item
6 offenses by persons under the legal age to purchase alcoholic
7 beverages and cannabis items, and supplementing chapter 33 of
8 Title 2C of the New Jersey Statutes.¹
9 (cf: P.L.1979, c.264, title)

10
11 ¹49. Section 1 of P.L.1979, c.264 (C.2C:33-15) is amended to
12 read as follows:

13 1. a. (1) Any person under the legal age to purchase alcoholic
14 beverages who knowingly possesses without legal authority or who
15 knowingly consumes any alcoholic beverage in any school, public
16 conveyance, public place, or place of public assembly, or motor
17 vehicle, is guilty of a disorderly persons offense, and shall be fined
18 not less than \$500.

19 (2) (a) Any person under the legal age to purchase cannabis
20 items who knowingly possesses without legal authority any
21 cannabis item, the amount of which may be lawfully possessed by a
22 person of the legal age to purchase cannabis items pursuant to
23 section 4 of P.L. , c. (C.) (pending before the Legislature as
24 this bill), in any school, public conveyance, public place, or place
25 of public assembly, or motor vehicle, unless authorized to engage in
26 the medical use of cannabis pursuant to the “Jake Honig
27 Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
28 (C.24:6I-1 et al.) or P.L.2015, c.158 (C.18A:40-12.22 et al.), is: for
29 a first offense, subject to a civil penalty of \$100; for a second
30 offense, subject to a civil penalty of \$200; and for a third or
31 subsequent offense, guilty of a disorderly persons offense, and shall
32 be fined not less than \$500. The civil penalties provided for in this
33 subparagraph shall be collected pursuant to the “Penalty
34 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.),
35 in a summary proceeding before the municipal court having
36 jurisdiction. A civil penalty recovered under the provisions of this
37 subparagraph shall be recovered by and in the name of the State by
38 the local municipality. This civil penalty shall be paid into the
39 treasury of the municipality in which the violation occurred for the
40 general use of the municipality.¹

41 (b) Any person under the legal age to purchase cannabis items
42 who knowingly possesses without legal authority any cannabis
43 item, the amount of which exceeds what may be lawfully possessed
44 by a person of the legal age to purchase cannabis items pursuant to
45 section 4 of P.L. , c. (C.) (pending before the Legislature as
46 this bill), or who knowingly consumes any cannabis item in any
47 school, public conveyance, public place, or place of public

1 assembly, or motor vehicle, unless authorized to engage in the
2 medical use of cannabis pursuant to the “Jake Honig Compassionate
3 Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) or
4 P.L.2015, c.158 (C.18A:40-12.22 et al.), is guilty of a disorderly
5 persons offense, and shall be fined not less than \$500.

6 b. Whenever this offense is committed in a motor vehicle, the
7 court shall, in addition to the sentence authorized for the offense,
8 suspend or postpone for six months the driving privilege of the
9 defendant. Upon the conviction of any person under this section,
10 the court shall forward a report to the New Jersey Motor Vehicle
11 Commission stating the first and last day of the suspension or
12 postponement period imposed by the court pursuant to this section.
13 If a person at the time of the imposition of a sentence is less than 17
14 years of age, the period of license postponement, including a
15 suspension or postponement of the privilege of operating a
16 motorized bicycle, shall commence on the day the sentence is
17 imposed and shall run for a period of six months after the person
18 reaches the age of 17 years.

19 If a person at the time of the imposition of a sentence has a valid
20 driver's license issued by this State, the court shall immediately
21 collect the license and forward it to the commission along with the
22 report. If for any reason the license cannot be collected, the court
23 shall include in the report the complete name, address, date of birth,
24 eye color, and sex of the person as well as the first and last date of
25 the license suspension period imposed by the court.

26 The court shall inform the person orally and in writing that if the
27 person is convicted of operating a motor vehicle during the period
28 of license suspension or postponement, the person shall be subject
29 to the penalties set forth in R.S.39:3-40. A person shall be required
30 to acknowledge receipt of the written notice in writing. Failure to
31 receive a written notice or failure to acknowledge in writing the
32 receipt of a written notice shall not be a defense to a subsequent
33 charge of a violation of R.S.39:3-40.

34 If the person convicted under this section is not a New Jersey
35 resident, the court shall suspend or postpone, as appropriate, the
36 non-resident driving privilege of the person based on the age of the
37 person and submit to the commission the required report. The court
38 shall not collect the license of a non-resident convicted under this
39 section. Upon receipt of a report by the court, the commission shall
40 notify the appropriate officials in the licensing jurisdiction of the
41 suspension or postponement.

42 c. In addition to the general penalty prescribed for a disorderly
43 persons offense, the court may require any person who violates this
44 act to participate in an alcohol or drug abuse education or treatment
45 program, authorized by the Division of Mental Health and
46 Addiction Services in the Department of **Human Services** Health,
47 for a period not to exceed the maximum period of confinement

1 prescribed by law for the offense for which the individual has been
2 convicted.

3 d. Nothing in this act shall apply to possession of alcoholic
4 beverages by any such person while actually engaged in the
5 performance of employment pursuant to an employment permit
6 issued by the Director of the Division of Alcoholic Beverage
7 Control, or for a bona fide hotel or restaurant, in accordance with
8 the provisions of R.S.33:1-26, or while actively engaged in the
9 preparation of food while enrolled in a culinary arts or hotel
10 management program at a county vocational school or **post**
11 **secondary** post-secondary educational institution; and nothing in
12 this section shall apply to possession of cannabis items by any such
13 person while actually engaged in the performance of employment
14 by a cannabis establishment as permitted pursuant to the “New
15 Jersey Cannabis Regulatory and Expungement Aid Modernization
16 Act,” P.L. , c. (C.) (pending before the Legislature as this
17 bill).

18 e. The provisions of section 3 of P.L.1991, c.169 (C.33:1-
19 81.1a) shall apply to a parent, guardian or other person with legal
20 custody of a person under 18 years of age who is found to be in
21 violation of this section.

22 f. An underage person and one or two other persons shall be
23 immune from prosecution under this section if:

24 (1) one of the underage persons called 9-1-1 and reported that
25 another underage person was in need of medical assistance due to
26 alcohol consumption or the consumption of a cannabis item;

27 (2) the underage person who called 9-1-1 and, if applicable, one
28 or two other persons acting in concert with the underage person
29 who called 9-1-1 provided each of their names to the 9-1-1
30 operator;

31 (3) the underage person was the first person to make the 9-1-1
32 report; and

33 (4) the underage person and, if applicable, one or two other
34 persons acting in concert with the underage person who made the 9-
35 1-1 call remained on the scene with the person under the legal age
36 in need of medical assistance until assistance arrived and
37 cooperated with medical assistance and law enforcement personnel
38 on the scene.

39 The underage person who received medical assistance also shall
40 be immune from prosecution under this section.

41 g. For purposes of this section, an alcoholic beverage includes
42 powdered alcohol as defined by R.S.33:1-1, and a cannabis item
43 includes any item available for lawful consumption pursuant to the
44 “New Jersey Cannabis Regulatory and Expungement Aid
45 Modernization Act,” P.L. , c. (C.) (pending before the
46 Legislature as this bill).¹

47 (cf: P.L.2015, c.137, s.3)

1 ¹50. The title of P.L.2000, c.33 is amended to read as follows:
2 **AN ACT** concerning possession and consumption of alcoholic
3 beverages or cannabis items by underaged persons,
4 supplementing Title 40 of the Revised Statutes and amending
5 R.S.40:48-1.¹
6 (cf: P.L.2000, c.33, title)

8 ¹51. Section 1 of P.L.2000, c.33 (C.40:48-1.2) is amended to
9 read as follows:

10 1. a. A municipality may enact an ordinance making it
11 unlawful for any person under the legal age who, without legal
12 authority, knowingly possesses or knowingly consumes an alcoholic
13 beverage or a cannabis item, other than by smoking, on private
14 property, unless authorized to engage in the medical use of cannabis
15 pursuant to the “Jake Honig Compassionate Use Medical Cannabis
16 Act,” P.L.2009, c.307 (C.24:6I-1 et al.) or P.L.2015, c.158
17 (C.18A:40-12.22 et al.).

18 (1) The ordinance shall provide that a violation involving
19 alcoholic beverage activity shall be punished by a fine of \$250 for a
20 first offense and \$350 for any subsequent offense.

21 (2) The ordinance shall provide that a violation involving
22 cannabis activity shall be punished as follows:

23 (a) If the cannabis item possessed is an amount which may be
24 lawfully possessed by a person of the legal age to purchase cannabis
25 items pursuant to section 4 of P.L. , c. (C.) (pending before
26 the Legislature as this bill): for a first offense, a civil penalty of
27 \$100; for a second offense, a civil penalty of \$200; and for a third
28 or subsequent offense, a fine of \$350. The civil penalties provided
29 for in this subparagraph shall be collected pursuant to the “Penalty
30 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.),
31 in a summary proceeding before the municipal court having
32 jurisdiction. A penalty recovered under the provisions of this
33 subparagraph shall be recovered by and in the name of the
34 municipality.

35 (b) If the cannabis item possessed is an amount that exceeds
36 what may be lawfully possessed by a person of the legal age to
37 purchase cannabis items pursuant to section 4 of
38 P.L. , c. (C.) (pending before the Legislature as this bill), or
39 if any cannabis item is consumed: for a first offense, a fine of \$250;
40 and for a second or subsequent offense, a fine of \$350.

41 b. The ordinance shall provide that the court may, in addition
42 to the fine authorized for this offense, suspend or postpone for six
43 months the driving privilege of the defendant. Upon the conviction
44 of any person and the suspension or postponement of that person's
45 driver's license, the court shall forward a report to the **【Division of】**
46 New Jersey Motor 【Vehicles】 Vehicle Commission stating the first
47 and last day of the suspension or postponement period imposed by

1 the court pursuant to this section. If a person at the time of the
2 imposition of a sentence is less than 17 years of age, the period of
3 license postponement, including a suspension or postponement of
4 the privilege of operating a motorized bicycle, shall commence on
5 the day the sentence is imposed and shall run for a period of six
6 months after the person reaches the age of 17 years.

7 If a person at the time of the imposition of a sentence has a valid
8 driver's license issued by this State, the court shall immediately
9 collect the license and forward it to the **[division]** commission
10 along with the report. If for any reason the license cannot be
11 collected, the court shall include in the report the complete name,
12 address, date of birth, eye color, and sex of the person, as well as
13 the first and last date of the license suspension period imposed by
14 the court.

15 The court shall inform the person orally and in writing that if the
16 person is convicted of operating a motor vehicle during the period
17 of license suspension or postponement, the person shall be subject
18 to the penalties set forth in R.S.39:3-40. A person shall be required
19 to acknowledge receipt of the written notice in writing. Failure to
20 receive a written notice or failure to acknowledge in writing the
21 receipt of a written notice shall not be a defense to a subsequent
22 charge of a violation of R.S.39:3-40.

23 If the person convicted under such an ordinance is not a New
24 Jersey resident, the court shall suspend or postpone, as appropriate,
25 the non-resident driving privilege of the person based on the age of
26 the person and submit to the **[division]** commission the required
27 report. The court shall not collect the license of a non-resident
28 convicted under this section. Upon receipt of a report by the court,
29 the **[division]** commission shall notify the appropriate officials in
30 the licensing jurisdiction of the suspension or postponement.

31 c. (1) No ordinance shall prohibit an underaged person from
32 consuming or possessing an alcoholic beverage in connection with a
33 religious observance, ceremony, or rite or consuming or possessing
34 an alcoholic beverage in the presence of and with the permission of
35 a parent, guardian or relative who has attained the legal age to
36 purchase and consume alcoholic beverages.

37 (2) As used in this section:

38 "Alcoholic beverage" includes powdered alcohol as defined by
39 R.S.33:1-1.

40 "Guardian" means a person who has qualified as a guardian of
41 the underaged person pursuant to testamentary or court
42 appointment.

43 "Cannabis items" includes any item available for lawful
44 consumption pursuant to the "New Jersey Cannabis Regulatory and
45 Expungement Aid Modernization Act," P.L. , c. (C.)
46 (pending before the Legislature as this bill).

47 "Relative" means the underaged person's grandparent, aunt or
48 uncle, sibling, or any other person related by blood or affinity.

1 d. No ordinance shall prohibit possession of alcoholic
2 beverages by any such person while actually engaged in the
3 performance of employment by a person who is licensed under Title
4 33 of the Revised Statutes, or while actively engaged in the
5 preparation of food while enrolled in a culinary arts or hotel
6 management program at a county vocational school or **post**
7 **secondary** post-secondary educational institution, and no
8 ordinance shall prohibit possession of cannabis items by any such
9 person while actually engaged in the performance of employment
10 by a cannabis establishment as permitted pursuant to the “New
11 Jersey Cannabis Regulatory and Expungement Aid Modernization
12 Act,” P.L. , c. (C.) (pending before the Legislature as this
13 bill); however, no ordinance enacted pursuant to this section shall
14 be construed to preclude the imposition of a penalty under this
15 section, R.S.33:1-81, or any other section of law against a person
16 who is convicted of unlawful alcoholic beverage activity or
17 unlawful cannabis activity on or at premises licensed for the sale of
18 alcoholic beverages or cannabis items.¹

19 (cf: P.L.2000, c.33, s.1)

20
21 ¹52. The title of P.L.2009, c.133 is amended to read as follows:
22 **AN ACT** concerning persons under the legal age to possess and
23 consume alcoholic beverages or cannabis items, amending
24 P.L.1979, c.264, and supplementing P.L.2000, c.33 (C.40:48-
25 1.2 et al.).¹

26 (cf: P.L.2009, c.133, title)

27
28 ¹53. Section 2 of P.L.2009, c.133 (C.40:48-1.2a) is amended to
29 read as follows:

30 2. a. An underage person and one or two other persons shall be
31 immune from prosecution under an ordinance authorized by section
32 1 of P.L.2000, c.33 (C.40:48-1.2) prohibiting any person under the
33 legal age who, without legal authority, knowingly possesses or
34 knowingly consumes an alcoholic beverage or cannabis item on
35 private property if:

36 (1) one of the underage persons called 9-1-1 and reported that
37 another underage person was in need of medical assistance due to
38 alcohol consumption or the consumption of a cannabis item;

39 (2) the underage person who called 9-1-1 and, if applicable, one
40 or two other persons acting in concert with the underage person
41 who called 9-1-1 provided each of their names to the 9-1-1
42 operator;

43 (3) the underage person was the first person to make the 9-1-1
44 report; and

45 (4) the underage person and, if applicable, one or two other
46 persons acting in concert with the underage person who made the 9-
47 1-1 call remained on the scene with the person under the legal age

1 in need of medical assistance until assistance arrived and
2 cooperated with medical assistance and law enforcement personnel
3 on the scene.

4 b. The underage person who received medical assistance as
5 provided in subsection a. of this section also shall be immune from
6 prosecution under an ordinance authorized by section 1 of P.L.2000,
7 c.33 (C.40:48-1.2).¹
8 (cf: P.L.2009, c.133, s.2)
9

10 ¹54. Section 1 of P.L.1983, c.565 (C.2C:21-2.1) is amended to
11 read as follows:

12 1. a. A person who knowingly sells, offers or exposes for sale,
13 or otherwise transfers, or possesses with the intent to sell, offer or
14 expose for sale, or otherwise transfer, a document, printed form or
15 other writing which falsely purports to be a driver's license, birth
16 certificate or other document issued by a governmental agency and
17 which could be used as a means of verifying a person's identity or
18 age or any other personal identifying information is guilty of a
19 crime of the second degree.

20 b. A person who knowingly makes, or possesses devices or
21 materials to make, a document or other writing which falsely
22 purports to be a driver's license, birth certificate or other document
23 issued by a governmental agency and which could be used as a
24 means of verifying a person's identity or age or any other personal
25 identifying information is guilty of a crime of the second degree.

26 c. A person who knowingly exhibits, displays or utters a
27 document or other writing which falsely purports to be a driver's
28 license, birth certificate or other document issued by a
29 governmental agency and which could be used as a means of
30 verifying a person's identity or age or any other personal identifying
31 information is guilty of a crime of the third degree. A violation of
32 N.J.S.2C:28-7, constituting a disorderly persons offense, section 1
33 of P.L.1979, c.264 (C.2C:33-15), R.S.33:1-81 or section 6 of
34 P.L.1968, c.313 (C.33:1-81.7) in a case where the person uses the
35 personal identifying information of another to illegally purchase an
36 alcoholic beverage or for using the personal identifying information
37 of another to misrepresent his age for the purpose of obtaining
38 tobacco or other consumer product denied to persons under **[18] 21**
39 years of age shall not, except as otherwise set forth in this
40 subsection, constitute an offense under this subsection if the actor
41 received only that benefit or service and did not perpetrate or
42 attempt to perpetrate any additional injury or fraud on another. If
43 the personal identifying information of another is used to illegally
44 obtain any cannabis item available for lawful consumption pursuant
45 to the "New Jersey Cannabis Regulatory and Expungement Aid
46 Modernization Act," P.L. , c. (C.) (pending before the
47 Legislature as this bill), the person shall be subject to a civil penalty
48 of \$50. The civil penalty provided for in this subsection shall be

1 collected pursuant to the “Penalty Enforcement Law of 1999,”
2 P.L.1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding
3 before the municipal court having jurisdiction. A civil penalty
4 recovered under the provisions of this subsection shall be recovered
5 by and in the name of the State by the local municipality. The
6 penalty shall be paid into the treasury of the municipality in which
7 the violation occurred for the general use of the municipality.

8 d. A person who knowingly possesses a document or other
9 writing which falsely purports to be a driver's license, birth
10 certificate or other document issued by a governmental agency and
11 which could be used as a means of verifying a person's identity or
12 age or any other personal identifying information is guilty of a
13 crime of the fourth degree. A violation of N.J.S.2C:28-7,
14 constituting a disorderly persons offense, section 1 of P.L.1979,
15 c.264 (C.2C:33-15), R.S.33:1-81 or section 6 of P.L.1968, c.313
16 (C.33:1-81.7) in a case where the person uses the personal
17 identifying information of another to illegally purchase an alcoholic
18 beverage or for using the personal identifying information of
19 another to misrepresent his age for the purpose of obtaining tobacco
20 or other consumer product denied to persons under **[18]** 21 years of
21 age shall not, except as otherwise set forth in this subsection,
22 constitute an offense under this subsection if the actor received only
23 that benefit or service and did not perpetrate or attempt to perpetrate
24 any additional injury or fraud on another. If the personal
25 identifying information of another is used to obtain any cannabis
26 item available for lawful consumption pursuant to the “New Jersey
27 Cannabis Regulatory and Expungement Aid Modernization Act,”
28 P.L. , c. (C.) (pending before the Legislature as this bill),
29 the person shall be subject to a civil penalty of \$50. The penalty
30 provided for in this subsection shall be collected pursuant to the
31 “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10
32 et seq.), in a summary proceeding before the municipal court having
33 jurisdiction. A penalty recovered under the provisions of this
34 subsection shall be recovered by and in the name of the State by the
35 local municipality. The penalty shall be paid into the treasury of
36 the municipality in which the violation occurred for the general use
37 of the municipality.

38 e. In addition to any other disposition authorized by this Title,
39 the provisions of section 24 of P.L.1982, c.77 (C.2A:4A-43), or any
40 other statute indicating the dispositions that may be ordered for an
41 adjudication of delinquency, and, notwithstanding the provisions of
42 subsection c. of N.J.S.2C:43-2, every person convicted of, or
43 adjudicated delinquent or penalized for a violation of any offense
44 defined in this section shall forthwith forfeit his right to operate a
45 motor vehicle over the highways of this State for a period to be
46 fixed by the court at not less than six months or more than two
47 years which shall commence on the day the sentence is imposed. In
48 the case of any person who at the time of the imposition of the

1 sentence is less than 17 years of age, the period of the suspension of
2 driving privileges authorized herein, including a suspension of the
3 privilege of operating a motorized bicycle, shall commence on the
4 day the sentence is imposed and shall run for a period as fixed by
5 the court of not less than six months or more than two years after
6 the day the person reaches the age of 17 years. If the driving
7 privilege of any person is under revocation, suspension, or
8 postponement for a violation of any provision of this Title or Title
9 39 of the Revised Statutes at the time of any conviction or
10 adjudication of delinquency for a violation of any offense defined in
11 this chapter or chapter 36 of this Title, the revocation, suspension,
12 or postponement period imposed herein shall commence as of the
13 date of termination of the existing revocation, suspension or
14 postponement.

15 The court before whom any person is convicted of, or
16 adjudicated delinquent or penalized for a violation of any offense
17 defined in this section shall collect forthwith the New Jersey
18 driver's license or licenses of that person and forward the license or
19 licenses to the Chief Administrator of the New Jersey Motor
20 Vehicle Commission along with a report indicating the first and last
21 day of the suspension or postponement period imposed by the court
22 pursuant to this section. If the court is for any reason unable to
23 collect the license or licenses of the person, the court shall cause a
24 report of the conviction or adjudication of delinquency to be filed
25 with the director. The report shall include the complete name,
26 address, date of birth, eye color and sex of the person and shall
27 indicate the first and last day of the suspension or postponement
28 period imposed by the court pursuant to this section. The court
29 shall inform the person orally and in writing that if the person is
30 convicted of personally operating a motor vehicle during the period
31 of license suspension or postponement imposed pursuant to this
32 section, the person shall, upon conviction, be subject to the
33 penalties set forth in R.S.39:3-40. A person shall be required to
34 acknowledge receipt of the written notice in writing. Failure to
35 receive a written notice or failure to acknowledge in writing the
36 receipt of a written notice shall not be a defense to a subsequent
37 charge of a violation of R.S.39:3-40. If the person is the holder of a
38 driver's license from another jurisdiction, the court shall not collect
39 the license, but shall notify forthwith the director who shall notify
40 the appropriate officials in that licensing jurisdiction. The court
41 shall, however, in accordance with the provisions of this section,
42 revoke the person's non-resident driving privileges in this State.

43 In addition to any other condition imposed, a court, in its
44 discretion, may suspend, revoke or postpone the driving privileges
45 of a person admitted to supervisory treatment under N.J.S.2C:36A-1
46 or N.J.S.2C:43-12 without a plea of guilty or finding of guilt.¹
47 (cf: P.L.2005, c.224, s.1)

1 ¹55. N.J.S.2C:21-17 is amended to read as follows:

2 2C:21-17. Impersonation; Theft of identity; crime.

3 a. A person is guilty of a crime if the person engages in one or
4 more of the following actions by any means including, but not
5 limited to, the use of electronic communications or an Internet
6 website:

7 (1) Impersonates another or assumes a false identity and does an
8 act in such assumed character or false identity for the purpose of
9 obtaining a benefit for himself or another or to injure or defraud
10 another;

11 (2) Pretends to be a representative of some person or
12 organization and does an act in such pretended capacity for the
13 purpose of obtaining a benefit for himself or another or to injure or
14 defraud another;

15 (3) Impersonates another, assumes a false identity or makes a
16 false or misleading statement regarding the identity of any person,
17 in an oral or written application for services, for the purpose of
18 obtaining services;

19 (4) Obtains any personal identifying information pertaining to
20 another person and uses that information, or assists another person
21 in using the information, in order to assume the identity of or
22 represent himself as another person, without that person's
23 authorization and with the purpose to fraudulently obtain or attempt
24 to obtain a benefit or services, or avoid the payment of debt or other
25 legal obligation or avoid prosecution for a crime by using the name
26 of the other person; or

27 (5) Impersonates another, assumes a false identity or makes a
28 false or misleading statement, in the course of making an oral or
29 written application for services, with the purpose of avoiding
30 payment for prior services. Purpose to avoid payment for prior
31 services may be presumed upon proof that the person has not made
32 full payment for prior services and has impersonated another,
33 assumed a false identity or made a false or misleading statement
34 regarding the identity of any person in the course of making oral or
35 written application for services.

36 As used in this section:

37 "Benefit" means, but is not limited to, any property, any
38 pecuniary amount, any services, any pecuniary amount sought to be
39 avoided or any injury or harm perpetrated on another where there is
40 no pecuniary value.

41 b. (Deleted by amendment, P.L.2005, c.224).

42 c. A person who violates subsection a. of this section is guilty
43 of a crime as follows:

44 (1) If the actor obtains a benefit or deprives another of a benefit
45 in an amount less than \$500 and the offense involves the identity of
46 one victim, the actor shall be guilty of a crime of the fourth degree
47 except that a second or subsequent conviction for such an offense
48 constitutes a crime of the third degree; or

1 (2) If the actor obtains a benefit or deprives another of a benefit
2 in an amount of at least \$500 but less than \$75,000, or the offense
3 involves the identity of at least two but less than five victims, the
4 actor shall be guilty of a crime of the third degree; or

5 (3) If the actor obtains a benefit or deprives another of a benefit
6 in the amount of \$75,000 or more, or the offense involves the
7 identity of five or more victims, the actor shall be guilty of a crime
8 of the second degree.

9 d. A violation of N.J.S.2C:28-7, constituting a disorderly
10 persons offense, section 1 of P.L.1979, c.264 (C.2C:33-15),
11 R.S.33:1-81 or section 6 of P.L.1968, c.313 (C.33:1-81.7) in a case
12 where the person uses the personal identifying information of
13 another to illegally purchase an alcoholic beverage or for using the
14 personal identifying information of another to misrepresent his age
15 for the purpose of obtaining tobacco or other consumer product
16 denied to persons under **[19]** 21 years of age shall not, except as
17 otherwise set forth in this subsection, constitute an offense under
18 this section if the actor received only that benefit or service and did
19 not perpetrate or attempt to perpetrate any additional injury or fraud
20 on another. If the personal identifying information of another is
21 used to obtain any cannabis item available for lawful consumption
22 pursuant to the "New Jersey Cannabis Regulatory and Expungement
23 Aid Modernization Act," P.L. , c. (C.) (pending before the
24 Legislature as this bill), the person shall be subject to a civil penalty
25 of \$50. The civil penalty provided for in this subsection shall be
26 collected pursuant to the "Penalty Enforcement Law of 1999,"
27 P.L.1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding
28 before the municipal court having jurisdiction. A civil penalty
29 recovered under the provisions of this subsection shall be recovered
30 by and in the name of the State by the local municipality. The
31 penalty shall be paid into the treasury of the municipality in which
32 the violation occurred for the general use of the municipality.

33 e. The sentencing court shall issue such orders as are necessary
34 to correct any public record or government document that contains
35 false information as a result of a theft of identity. The sentencing
36 court may provide restitution to the victim in accordance with the
37 provisions of section 4 of P.L.2002, c.85 (C.2C:21-17.1).¹
38 (cf: P.L.2013, c.241, s.1)

39
40 ¹56. Section 5 of P.L.2003, c.184 (C.2C:21-17.2) is amended to
41 read as follows:

42 5. a. A person is guilty of a crime of the second degree if, in
43 obtaining or attempting to obtain a driver's license, birth certificate
44 or other document issued by a governmental agency which could be
45 used as a means of verifying a person's identity, age or any other
46 personal identifying information, that person knowingly exhibits,
47 displays or utters a document or other writing which falsely
48 purports to be a driver's license, birth certificate or other document

1 issued by a governmental agency or which belongs or pertains to a
2 person other than the person who possesses the document.

3 b. Notwithstanding the provisions of N.J.S.2C:1-8 or any other
4 law, a conviction under this section shall not merge with a
5 conviction of any other criminal offense, nor shall such other
6 conviction merge with a conviction under this section, and the court
7 shall impose separate sentences upon each violation of this section
8 and any other criminal offense.

9 c. A violation of N.J.S.2C:28-7, constituting a disorderly
10 persons offense, section 1 of P.L.1979, c.264 (C.2C:33-15),
11 R.S.33:1-81 or section 6 of P.L.1968, c.313 (C.33:1-81.7) in a case
12 where the person uses the personal identifying information of
13 another to illegally purchase an alcoholic beverage or for using the
14 personal identifying information of another to misrepresent his age
15 for the purpose of obtaining tobacco or other consumer product
16 denied to persons under **18** 21 years of age shall not, except as
17 otherwise set forth in this subsection, constitute an offense under
18 this section if the actor received only that benefit or service and did
19 not perpetrate or attempt to perpetrate any additional injury or fraud
20 on another. If the personal identifying information of another is
21 used to obtain any cannabis item available for lawful consumption
22 pursuant to the “New Jersey Cannabis Regulatory and Expungement
23 Aid Modernization Act,” P.L. , c. (C.) (pending before the
24 Legislature as this bill), the person shall be subject to a civil penalty
25 of \$50. The civil penalty provided for in this subsection shall be
26 collected pursuant to the “Penalty Enforcement Law of 1999,”
27 P.L.1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding
28 before the municipal court having jurisdiction. A civil penalty
29 recovered under the provisions of this subsection shall be recovered
30 by and in the name of the State by the local municipality. The
31 penalty shall be paid into the treasury of the municipality in which
32 the violation occurred for the general use of the municipality.¹

33 (cf: P.L.2005, c.224, s.4)

34
35 ¹57. The title of P.L.1968, c.313 is amended to read as follows:
36 **AN ACT** relating to the establishing of proof of age for purposes of
37 purchasing alcoholic beverages or cannabis items in certain
38 cases.¹

39 (cf: P.L.1968, c.313, title)

40
41 ¹58. Section 6 of P.L.1968, c.313 (C.33:1-81.7) is amended to
42 read as follows:

43 6. It shall be unlawful for the owner of an identification card,
44 as defined by this act, to transfer said card to any other person for
45 the purpose of aiding such person to secure alcoholic beverages or
46 cannabis items available for lawful consumption pursuant to the
47 “New Jersey Cannabis Regulatory and Expungement Aid

1 Modernization Act,” P.L. , c. (C.) (pending before the
2 Legislature as this bill). Any person who shall transfer such
3 identification card for the purpose of aiding such transferee to
4 obtain alcoholic beverages shall be guilty of a **【misdemeanor】**
5 disorderly persons offense and, upon conviction thereof, shall be
6 sentenced to pay a fine of not more than \$300.00, or undergo
7 imprisonment for not more than 60 days. Any person not entitled
8 thereto who shall have unlawfully procured or have issued or
9 transferred to him, as aforesaid, identification card or any person
10 who shall make any false statement on any card required by
11 subsection (c) hereof to be signed by him shall be guilty of a
12 **【misdemeanor】** disorderly persons offense and, upon conviction
13 thereof, shall be sentenced to pay a fine of not more than \$300.00,
14 or undergo imprisonment for not more than 60 days.¹

15 (cf: P.L.1968, c.313, s.6)

16
17 ¹59. The title of P.L.1991, c.169 is amended to read as follows:
18 **AN ACT** concerning the retail sale of alcoholic beverages or
19 cannabis items, amending R.S.33:1-81 and P.L.1979, c.264 and
20 supplementing chapter 1 of Title 33 of the Revised Statutes.¹
21 (cf: P.L.1991, c.169, title)

22
23 ¹60. Section 3 of P.L.1991, c.169 (C.33:1-81.1a) is amended to
24 read as follows:

25 3. A parent, guardian or other person having legal custody of a
26 person under 18 years of age found in violation of R.S.33:1-81 or
27 section 1 of P.L.1979, c.264 (C.2C:33-15) with respect to
28 purchasing, possessing, or consuming any alcoholic beverage or
29 cannabis item available for lawful consumption pursuant to the
30 “New Jersey Cannabis Regulatory and Expungement Aid
31 Modernization Act,” P.L. , c. (C.) (pending before the
32 Legislature as this bill) shall be notified of the violation in writing.
33 The parent, guardian or other person having legal custody of a
34 person under 18 years of age shall be subject to a fine in the amount
35 of \$500.00 upon any subsequent violation of R.S.33:1-81 or section
36 1 of P.L.1979, c.264 (C.2C:33-15) on the part of such person if it is
37 shown that the parent, guardian or other person having legal
38 custody failed or neglected to exercise reasonable supervision or
39 control over the conduct of the person under 18 years of age.¹

40 (cf: P.L.1991, c.169, s.3)

41
42 ¹34. Section 1 of P.L.1964, c.289, (C.39:4-49.1) is amended
43 to read as follows:

44 **【No】** Except as authorized by P.L. , c. (C.) (pending
45 before the Legislature as this bill), no person shall operate a motor
46 vehicle on any highway while knowingly having in his possession
47 or in the motor vehicle any controlled dangerous substance as

1 classified in Schedules I, II, III, IV and V of the "New Jersey
2 Controlled Dangerous Substances Act," P.L.1970, c.226 (C.24:21-1
3 et seq.) or any prescription legend drug, unless the person has
4 obtained the substance or drug from, or on a valid written
5 prescription of, a duly licensed physician, veterinarian, dentist or
6 other medical practitioner licensed to write prescriptions intended
7 for the treatment or prevention of disease in man or animals or
8 unless the person possesses a controlled dangerous substance
9 pursuant to a lawful order of a practitioner or lawfully possesses a
10 Schedule V substance.

11 A person who violates this section shall be fined not less than
12 **【\$50.00】** \$50 and shall forthwith forfeit his right to operate a motor
13 vehicle for a period of two years from the date of his conviction.
14 (cf: P.L.1985, c.239, s.1)**】**¹

15

16 ¹61. Section 2 of P.L.1970, c.226 (C.24:21-2) is amended to
17 read as follows:

18 2. As used in this act:

19 "Administer" means the direct application of a controlled
20 dangerous substance, whether by injection, inhalation, ingestion, or
21 any other means, to the body of a patient or research subject by: (1)
22 a practitioner (or, in the practitioner's presence, by the practitioner's
23 lawfully authorized agent), or (2) the patient or research subject at
24 the lawful direction and in the presence of the practitioner.

25 "Agent" means an authorized person who acts on behalf of or at
26 the direction of a manufacturer, distributor, or dispenser but does
27 not include a common or contract carrier, public warehouseman, or
28 employee thereof.

29 "Commissioner" means the Commissioner of Health.

30 "Controlled dangerous substance" means a drug, substance, or
31 immediate precursor in Schedules I through V of article 2 of
32 P.L.1970, c.226 (C.24:21-1 et seq.). The term shall not include
33 distilled spirits, wine, malt beverages, as those terms are defined or
34 used in R.S.33:1-1 et seq., or tobacco and tobacco products.

35 "Counterfeit substance" means a controlled dangerous substance
36 which, or the container or labeling of which, without authorization,
37 bears the trademark, trade name, or other identifying mark, imprint,
38 number or device, or any likeness thereof, of a manufacturer,
39 distributor, or dispenser other than the person or persons who in fact
40 manufactured, distributed, or dispensed such substance and which
41 thereby falsely purports or is represented to be the product of, or to
42 have been distributed by, such other manufacturer, distributor, or
43 dispenser.

44 "Deliver" or "delivery" means the actual, constructive, or
45 attempted transfer from one person to another of a controlled
46 dangerous substance, whether or not there is an agency relationship.

47 "Director" means the Director of the Division of Consumer
48 Affairs in the Department of Law and Public Safety.

1 "Dispense" means to deliver a controlled dangerous substance to
2 an ultimate user or research subject by or pursuant to the lawful
3 order of a practitioner, including the prescribing, administering,
4 packaging, labeling, or compounding necessary to prepare the
5 substance for that delivery.

6 "Dispenser" means a practitioner who dispenses.

7 "Distribute" means to deliver other than by administering or
8 dispensing a controlled dangerous substance.

9 "Distributor" means a person who distributes.

10 "Division" means the Division of Consumer Affairs in the
11 Department of Law and Public Safety.

12 "Drug Enforcement Administration" means the Drug
13 Enforcement Administration in the United States Department of
14 Justice.

15 "Drugs" means (a) substances recognized in the official United
16 States Pharmacopoeia, official Homeopathic Pharmacopoeia of the
17 United States, or official National Formulary, or any supplement to
18 any of them; and (b) substances intended for use in the diagnosis,
19 cure, mitigation, treatment, or prevention of disease in man or other
20 animals; and (c) substances (other than food) intended to affect the
21 structure or any function of the body of man or other animals; and
22 (d) substances intended for use as a component of any article
23 specified in subsections (a), (b), and (c) of this section; but does not
24 include devices or their components, parts or accessories.

25 "Hashish" means the resin extracted from any part of the plant
26 **【genus】 Genus Cannabis L.** and any compound, manufacture, salt,
27 derivative, mixture, or preparation of such resin. "Hashish" does
28 not include cannabis resin as defined in section 3 of
29 P.L. , c. (C.) (pending before the Legislature as this bill)
30 which is extracted in accordance with the "New Jersey Cannabis
31 Regulatory and Expungement Aid Modernization Act,"
32 P.L. , c. (C.) (pending before the Legislature as this bill),
33 for use in a cannabis item as defined in that section.

34 "Marihuana" means all parts of the plant **【genus】 Genus**
35 **Cannabis L.**, whether growing or not; the seeds thereof; and every
36 compound, manufacture, salt, derivative, mixture, or preparation of
37 the plant or its seeds, except those containing resin extracted from
38 the plant; but shall not include the mature stalks of the plant, fiber
39 produced from the stalks, oil or cake made from the seeds of the
40 plant, any other compound, manufacture, salt, derivative, mixture,
41 or preparation of such mature stalks, fiber, oil, or cake, or the
42 sterilized seed of the plant which is incapable of germination.
43 "Marihuana" does not include cannabis as defined in section 3 of
44 P.L. , c. (C.) (pending before the Legislature as this bill)
45 which is cultivated and processed in accordance with the "New
46 Jersey Cannabis Regulatory and Expungement Aid Modernization
47 Act," P.L. , c. (C.) (pending before the Legislature as this
48 bill), for use in a cannabis item as defined in that section.

1 "Manufacture" means the production, preparation, propagation,
2 compounding, conversion, or processing of a controlled dangerous
3 substance, either directly or by extraction from substances of
4 natural origin, or independently by means of chemical synthesis, or
5 by a combination of extraction and chemical synthesis, and includes
6 any packaging or repackaging of the substance or labeling or
7 relabeling of its container, except that this term does not include the
8 preparation or compounding of a controlled dangerous substance by
9 an individual for the individual's own use or the preparation,
10 compounding, packaging, or labeling of a controlled dangerous
11 substance: (1) by a practitioner as an incident to the practitioner's
12 administering or dispensing of a controlled dangerous substance in
13 the course of the practitioner's professional practice, or (2) by a
14 practitioner (or under the practitioner's supervision) for the purpose
15 of, or as an incident to, research, teaching, or chemical analysis and
16 not for sale.

17 "Narcotic drug" means any of the following, whether produced
18 directly or indirectly by extraction from substances of vegetable
19 origin, or independently by means of chemical synthesis, or by a
20 combination of extraction and chemical synthesis:

21 (a) Opium, coca leaves, and opiates;

22 (b) A compound, manufacture, salt, derivative, or preparation of
23 opium, coca leaves, or opiates;

24 (c) A substance (and any compound, manufacture, salt,
25 derivative, or preparation thereof) which is chemically identical
26 with any of the substances referred to in subsections (a) and (b),
27 except that the words "narcotic drug" as used in this act shall not
28 include decocainized coca leaves or extracts of coca leaves, which
29 extracts do not contain cocaine or ecgonine.

30 "Official written order" means an order written on a form
31 provided for that purpose by the Attorney General of the United
32 States or his delegate, under any laws of the United States making
33 provisions therefor, if such order forms are authorized and required
34 by the federal law, and if no such form is provided, then on an
35 official form provided for that purpose by the division. If
36 authorized by the Attorney General of the United States or the
37 division, the term shall also include an order transmitted by
38 electronic means.

39 "Opiate" means any dangerous substance having an addiction-
40 forming or addiction-sustaining liability similar to morphine or
41 being capable of conversion into a drug having such addiction-
42 forming or addiction-sustaining liability. It does not include, unless
43 specifically designated as controlled under section 3 of this act, the
44 dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its
45 salts (dextromethorphan). It does include its racemic and
46 levorotatory forms.

47 "Opium poppy" means the plant of the species *Papaver*
48 *somniferum* L., except the seeds thereof.

1 "Person" means any corporation, association, partnership, trust,
2 other institution or entity, or one or more individuals.

3 "Pharmacist" means a registered pharmacist of this State.

4 "Pharmacy owner" means the owner of a store or other place of
5 business where controlled dangerous substances are compounded or
6 dispensed by a registered pharmacist; but nothing in this chapter
7 contained shall be construed as conferring on a person who is not
8 registered or licensed as a pharmacist any authority, right, or
9 privilege that is not granted to the person by the pharmacy laws of
10 this State.

11 "Poppy straw" means all parts, except the seeds, of the opium
12 poppy, after mowing.

13 "Practitioner" means a physician, dentist, veterinarian, scientific
14 investigator, laboratory, pharmacy, hospital, or other person
15 licensed, registered, or otherwise permitted to distribute, dispense,
16 conduct research with respect to, or administer a controlled
17 dangerous substance in the course of professional practice or
18 research in this State.

19 (a) "Physician" means a physician authorized by law to practice
20 medicine in this or any other state.

21 (b) "Veterinarian" means a veterinarian authorized by law to
22 practice veterinary medicine in this State.

23 (c) "Dentist" means a dentist authorized by law to practice
24 dentistry in this State.

25 (d) "Hospital" means any federal institution, or any institution
26 for the care and treatment of the sick and injured, operated or
27 approved by the appropriate State department as proper to be
28 entrusted with the custody and professional use of controlled
29 dangerous substances.

30 (e) "Laboratory" means a laboratory to be entrusted with the
31 custody of narcotic drugs and the use of controlled dangerous
32 substances for scientific, experimental, and medical purposes and
33 for purposes of instruction approved by the Department of Health.

34 "Production" includes the manufacture, planting, cultivation,
35 growing, or harvesting of a controlled dangerous substance.

36 "Immediate precursor" means a substance which the division has
37 found to be and by regulation designates as being the principal
38 compound commonly used or produced primarily for use, and
39 which is an immediate chemical intermediary used or likely to be
40 used in the manufacture of a controlled dangerous substance, the
41 control of which is necessary to prevent, curtail, or limit such
42 manufacture.

43 "Substance use disorder involving drugs" means taking or using
44 a drug or controlled dangerous substance, as defined in this chapter,
45 in association with a state of psychic or physical dependence, or
46 both, arising from the use of that drug or controlled dangerous
47 substance on a continuous basis. A substance use disorder is
48 characterized by behavioral and other responses, including, but not

1 limited to, a strong compulsion to take the substance on a recurring
2 basis in order to experience its psychic effects, or to avoid the
3 discomfort of its absence.

4 "Ultimate user" means a person who lawfully possesses a
5 controlled dangerous substance for the person's own use or for the
6 use of a member of the person's household or for administration to
7 an animal owned by the person or by a member of the person's
8 household.¹

9 (cf: P.L.2017, c.131, s.65)

10
11 ¹62. R.S.24:5-18 is amended to read as follows:

12 24:5-18. For the purposes of this subtitle a drug or device shall
13 also be deemed to be misbranded:

14 a. If its labeling is false or misleading in any particular.

15 b. If in package form unless it bears a label containing the
16 name and place of business of the manufacturer, packer, or
17 distributor.

18 c. If any word, statement or other information required by or
19 under authority of this subtitle to appear on the label or labeling is
20 not prominently placed thereon with such conspicuousness (as
21 compared with other words, statements or designs in the labeling)
22 and in such terms as to render it likely to be read and understood by
23 the ordinary individual under customary conditions of purchase and
24 use.

25 d. If it is for use by man and contains any quantity of the
26 narcotic or hypnotic substance alpha-eucaine, barbituric acid, beta-
27 eucaine, bromal, cannabis other than as defined in section 3 of
28 P.L. , c. (C.) (pending before the Legislature as this bill),
29 carbromal, chloral, coca, cocaine, codeine, heroin, marihuana,
30 morphine, opium, paraldehyde, peyote, or sulphonmethane; or any
31 chemical derivative of such substance, which derivative has been by
32 the Department of Health of the State of New Jersey after
33 investigation found to be, and by regulations under this subtitle
34 designated as, habit forming; unless its label bears the name and
35 quantity or proportion of such substance, or derivative and in
36 juxtaposition therewith, the statement "Warning--May be habit
37 forming."

38 e. If it is a drug and is not designated solely by a name
39 recognized in an official compendium, unless its label bears (1) the
40 common or usual name of the drug, if such there be; and (2) in case
41 it is fabricated from 2 or more ingredients, the common or usual
42 name of each active ingredient, including the kind and quantity or
43 proportion of any alcohol, and also including, whether active or not,
44 the name and quantity or proportion of any bromides, ether,
45 chloroform, acetanilid, acetphanetidin, amidopyrine, antipyrine,
46 atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis
47 glusocides, mercury, ouabain, strophanthin, strychnine, thyroid, or
48 any derivative or preparation of any such substances, contained

1 therein; provided, that to the extent that compliance with the
2 requirements of clause (2) of this paragraph is impracticable,
3 exemptions may be established by regulations promulgated by the
4 State department.

5 f. Unless its labeling bears (1) adequate directions for use; and
6 (2) such adequate warnings against use in those pathological
7 conditions or by children where its use may be dangerous to health,
8 or against unsafe dosage or methods or duration of administration
9 or application, in such manner and form, as are necessary for the
10 protection of users; provided, that where any requirement of clause
11 (1) of this paragraph, as applied to any drug or device, is not
12 necessary for the protection of the public health, the Department of
13 Health of the State of New Jersey may promulgate regulations
14 exempting such drug or device from such requirement.

15 g. If it purports to be a drug the name of which is recognized in
16 an official compendium, unless it is packaged and labeled as
17 prescribed therein; provided, that the method of packing may be
18 modified with the consent of the State department. Whenever a
19 drug is recognized in both the United States Pharmacopoeia and the
20 Homeopathic Pharmacopoeia of the United States it shall be subject
21 to the requirements of the United States Pharmacopoeia unless it is
22 labeled and offered for sale as a homeopathic drug, in which case it
23 shall be subject to the provisions of the Homeopathic
24 Pharmacopoeia of the United States and not to those of the United
25 States Pharmacopoeia.

26 h. If it has been found by the Department of Health of the State
27 of New Jersey to be a drug liable to deterioration, unless it is
28 packaged in such form and manner, and its label bears a statement
29 of such precautions, as the Department of Health of the State of
30 New Jersey may by regulations require as necessary for the
31 protection of the public health. No such regulation shall be
32 established for any drug recognized in an official compendium until
33 the State department shall have informed the appropriate body
34 charged with the revision of such compendium of the need for such
35 packaging or labeling requirements and such body shall have failed
36 within a reasonable time to prescribe such requirements.

37 i. (1) If it is a drug and its container is so made, formed or
38 filled as to be misleading; or (2) if it is an imitation of another drug;
39 or (3) if it is offered for sale under the name of another drug.

40 j. If it is dangerous to health when used in the dosage, or with
41 the frequency or duration prescribed, recommended, or suggested in
42 the labeling thereof.

43 k. If it is a depressant or stimulant drug as defined pursuant to
44 law and not in the possession or control of a person specified by
45 law as entitled to possession or control of such depressant or
46 stimulant drug. Any depressant or stimulant drug misbranded under
47 the preceding sentence shall be deemed dangerous or fraudulent for

1 purposes of marking and detaining under the provisions of section
2 24:4-12 of this Title.¹
3 (cf: P.L.1966, c.314, s.8)
4

5 ¹**[35.] 63.**¹ (New section) Consumer Protections.

6 a. Individuals and licensed ¹**[marijuana]** cannabis¹
7 establishments shall not be subject to arrest, prosecution, or penalty
8 in any manner, or denied any right or privilege, including but not
9 limited to civil liability or disciplinary action by a business,
10 occupational, or professional licensing board or bureau, solely for
11 conduct permitted under P.L. , c. (C.) (pending before the
12 Legislature as this bill).

13 b. The presence of cannabinoid metabolites in the bodily fluids
14 of a person engaged in conduct permitted under P.L. , c. (C.)
15 (pending before the Legislature as this bill) by the following:

16 (1) a student, employee, or tenant, shall not form the basis for
17 refusal to enroll or employ or lease to or otherwise penalize that
18 person, unless failing to do so would put the school, employer, or
19 landlord in violation of federal law or cause it to lose a federal
20 contract or funding; and

21 (2) a patient shall not constitute the use of an illicit substance
22 resulting in denial of medical care, including organ transplant, and a
23 patient's use of ¹**[marijuana]** cannabis items¹ may only be
24 considered with respect to evidence-based clinical criteria;

25 (3) a parent or legal guardian of a child or newborn infant, or a
26 pregnant woman shall not form the sole or primary basis for any
27 action or proceeding by the Division of Child Protection and
28 Permanency, or any successor agencies.
29

30 ¹**[36.] 64.**¹ (New section) a. Law enforcement agencies in
31 ¹**[New Jersey]** this State¹ shall not cooperate with or provide
32 assistance to the government of the United States or any agency
33 thereof in enforcing the ¹"Controlled Substances Act,"¹ 21 U.S.C.
34 801 et seq., solely for actions consistent with P.L. , c. (C.)
35 (pending before the Legislature as this bill), except pursuant to a
36 valid court order.

37 b. No agency or subdivision of an agency of ¹**[the]** this¹ State
38 ¹**[of New Jersey]**¹ may refuse to perform any duty under
39 P.L. , c. (C.) (pending before the Legislature as this bill) on
40 the basis that manufacturing, distributing, dispensing, possessing, or
41 using ¹any cannabis item or¹ marijuana is prohibited by federal law.

42 c. The ¹**[division]** commission¹ may not revoke or refuse to
43 issue or renew a license pursuant to ¹section 22, 24, 25, or 26 of¹
44 P.L. , c. (C.) (pending before the Legislature as this bill) on
45 the basis that manufacturing, distributing, dispensing, possessing, or
46 using ¹any cannabis item or¹ marijuana is prohibited by federal law.

1 ¹**[37.] 65.**¹ (New section) Contract Enforceability.

2 No contract shall be unenforceable on the basis that
3 manufacturing, distributing, dispensing, possessing, or using ¹any
4 cannabis item or¹ marijuana is prohibited by federal law. No
5 contract entered into by a licensee, its employees, or its agents as
6 permitted pursuant to a valid license issued by the ¹**[division]**
7 commission¹, or by those who allow property to be used by a
8 licensee, its employees, or its agents as permitted pursuant to a
9 valid license issued by the ¹**[division]** commission¹, shall be
10 deemed unenforceable on the basis that the actions or conduct
11 permitted pursuant to the license are prohibited by federal law.

12
13 ¹**[38.] 66.**¹ (New section) Criminal Investigation.

14 a. None of the following shall, individually or in combination,
15 constitute reasonable articulable suspicion of a crime:

16 (1) The odor of ¹**[marijuana]** cannabis¹ or burnt ¹**[marijuana]**
17 cannabis¹;

18 (2) The possession of or the suspicion of possession of
19 marijuana ¹or hashish¹ without evidence of quantity in excess of
20 ¹**[one ounce]** any amount that would exceed the amount of
21 cannabis or cannabis resin which may be lawfully possessed
22 pursuant to section 4 of P.L. , c. (C.) (pending before the
23 Legislature as this bill), as the possession of that amount is
24 presumed, pursuant to paragraph (4) of subsection a. of
25 N.J.S.2C:35-10, to be the lawful possession of cannabis or cannabis
26 resin in accordance with the “New Jersey Cannabis Regulatory and
27 Expungement Aid Modernization Act,” P.L. , c. (C.)
28 (pending before the Legislature as this bill)¹; or

29 (3) The possession of marijuana ¹or hashish¹ without evidence
30 of quantity in excess of ¹**[one ounce]** any amount that would
31 exceed the amount of cannabis or cannabis resin which may be
32 lawfully possessed pursuant to section 4 of P.L. , c. (C.)
33 (pending before the Legislature as this bill).¹ in proximity to any
34 amount of cash or currency ¹, as the possession of that amount is
35 presumed, pursuant to paragraph (4) of subsection a. of
36 N.J.S.2C:35-10, to be the lawful possession of cannabis or cannabis
37 resin in accordance with the “New Jersey Cannabis Regulatory and
38 Expungement Aid Modernization Act,” P.L. , c. (C.)
39 (pending before the Legislature as this bill)¹.

40 b. Subsection a. of this section shall not apply when a law
41 enforcement officer is investigating whether a person is driving
42 under the influence of ¹a cannabis item or¹ marijuana or driving
43 while impaired by ¹a cannabis item or¹ marijuana in violation of
44 R.S.39:4-50 ¹, or section 5 of P.L.1990, c.103 (C.39:3-10.13)
45 concerning operators of commercial motor vehicles¹.

1 ¹⁶⁷ Section 2 of P.L.1981, c.512 (C.39:4-50.4a) is amended to
2 read as follows:

3 2. a. Except as provided in subsection b. of this section, the
4 municipal court shall revoke the right to operate a motor vehicle of
5 any operator who, after being arrested for a violation of R.S.39:4-50
6 or section 1 of P.L.1992, c.189 (C.39:4-50.14), shall refuse to
7 submit to a test provided for in section 2 of P.L.1966, c.142
8 (C.39:4-50.2) when requested to do so, for not less than seven
9 months or more than one year unless the refusal was in connection
10 with a second offense under this section, in which case the
11 revocation period shall be for two years or unless the refusal was in
12 connection with a third or subsequent offense under this section in
13 which case the revocation shall be for ten years. A conviction or
14 administrative determination of a violation of a law of a
15 substantially similar nature in another jurisdiction, regardless of
16 whether that jurisdiction is a signatory to the Interstate Driver
17 License Compact pursuant to P.L.1966, c.73 (C.39:5D-1 et seq.),
18 shall constitute a prior conviction under this section.

19 The municipal court shall determine by a preponderance of the
20 evidence whether the arresting officer had probable cause to believe
21 that the person had been driving or was in actual physical control of
22 a motor vehicle on the public highways or quasi-public areas of this
23 State while the person was under the influence of intoxicating
24 liquor or a narcotic, hallucinogenic, or habit-producing drug, or
25 cannabis item as defined in section 3 of P.L. , c. (C.)
26 (pending before the Legislature as this bill) or marijuana; whether
27 the person was placed under arrest, if appropriate, and whether he
28 refused to submit to the test upon request of the officer; and if these
29 elements of the violation are not established, no conviction shall
30 issue. In addition to any other requirements provided by law, a
31 person whose operator's license is revoked for refusing to submit to
32 a test shall be referred to an Intoxicated Driver Resource Center
33 established by subsection (f) of R.S.39:4-50 and shall satisfy the
34 same requirements of the center for refusal to submit to a test as
35 provided for in section 2 of P.L.1966, c.142 (C.39:4-50.2) in
36 connection with a first, second, third or subsequent offense under
37 this section that must be satisfied by a person convicted of a
38 commensurate violation of this section, or be subject to the same
39 penalties as such a person for failure to do so. For a first offense,
40 the revocation may be concurrent with or consecutive to any
41 revocation imposed for a conviction under the provisions of
42 R.S.39:4-50 arising out of the same incident. For a second or
43 subsequent offense, the revocation shall be consecutive to any
44 revocation imposed for a conviction under the provisions of
45 R.S.39:4-50. In addition to issuing a revocation, except as provided
46 in subsection b. of this section, the municipal court shall fine a
47 person convicted under this section, a fine of not less than \$300 or
48 more than \$500 for a first offense; a fine of not less than \$500 or

1 more than \$1,000 for a second offense; and a fine of \$1,000 for a
2 third or subsequent offense. The person also shall be required to
3 install an ignition interlock device pursuant to the provisions of
4 P.L.1999, c.417 (C.39:4-50.16 et al.).

5 b. For a first offense, the fine imposed upon the convicted
6 person shall be not less than \$600 or more than \$1,000 and the
7 period of license suspension shall be not less than one year or more
8 than two years; for a second offense, a fine of not less than \$1,000
9 or more than \$2,000 and a license suspension for a period of four
10 years; and for a third or subsequent offense, a fine of \$2,000 and a
11 license suspension for a period of 20 years when a violation of this
12 section occurs while:

13 (1) on any school property used for school purposes which is
14 owned by or leased to any elementary or secondary school or school
15 board, or within 1,000 feet of such school property;

16 (2) driving through a school crossing as defined in R.S.39:1-1 if
17 the municipality, by ordinance or resolution, has designated the
18 school crossing as such; or

19 (3) driving through a school crossing as defined in R.S.39:1-1
20 knowing that juveniles are present if the municipality has not
21 designated the school crossing as such by ordinance or resolution.

22 A map or true copy of a map depicting the location and
23 boundaries of the area on or within 1,000 feet of any property used
24 for school purposes which is owned by or leased to any elementary
25 or secondary school or school board produced pursuant to section 1
26 of P.L.1987, c.101 (C.2C:35-7) may be used in a prosecution under
27 paragraph (1) of this subsection.

28 It shall not be relevant to the imposition of sentence pursuant to
29 paragraph (1) or (2) of this subsection that the defendant was
30 unaware that the prohibited conduct took place while on or within
31 1,000 feet of any school property or while driving through a school
32 crossing. Nor shall it be relevant to the imposition of sentence that
33 no juveniles were present on the school property or crossing zone at
34 the time of the offense or that the school was not in session.¹

35 (cf: P.L.2009, c.201, s.5)

36
37 ¹68. Section 1 of P.L.1983, c.307 (C.39:4-51a) is amended to
38 read as follows:

39 1. a. A person shall not consume an alcoholic beverage or
40 cannabis item as defined in section 3 of P.L. , c. (C.)
41 (pending before the Legislature as this bill) while operating a motor
42 vehicle. A passenger in a motor vehicle shall not consume an
43 alcoholic beverage or cannabis item while the motor vehicle is
44 being operated. This subsection shall not apply, with respect to the
45 consumption of an alcoholic beverage, to a passenger of a charter or
46 special bus operated as defined under R.S.48:4-1 or a limousine
47 service.

1 b. A person shall be presumed to have consumed an alcoholic
2 beverage or cannabis item in violation of this section if an unsealed
3 container or package of an alcoholic beverage or cannabis item is
4 located in the passenger compartment of the motor vehicle, the
5 contents of the alcoholic beverage or cannabis item have been
6 partially consumed and the physical appearance or conduct of the
7 operator of the motor vehicle or a passenger may be associated with
8 the consumption of an alcoholic beverage or cannabis item. For the
9 purposes of this section, the term "unsealed" shall mean a container
10 or package with its original seal broken, or a container or package
11 that is not the original container or package such as a glass **[or]** ,
12 cup , box, bag, or wrapping.

13 c. For the first offense, a person convicted of violating this
14 section shall be fined **[\$200.00]** \$200 and shall be informed by the
15 court of the penalties for a second or subsequent violation of this
16 section. For a second or subsequent offense, a person convicted of
17 violating this section shall be fined **[\$250.00]** \$250 or shall be
18 ordered by the court to perform community service for a period of
19 10 days in such form and on such terms as the court shall deem
20 appropriate under the circumstances.¹
21 (cf: P.L.1999, c.356, s.20)

22

23 ¹69. Section 6 of P.L.2000, c.83 (C.39:4-51b) is amended to
24 read as follows:

25 6. a. All occupants of a motor vehicle located on a public
26 highway, or the right-of-way of a public highway, shall be
27 prohibited from possessing any open or unsealed container or
28 package of an alcoholic beverage **[container]** or cannabis item as
29 defined in section 3 of P.L. , c. (C.) (pending before the
30 Legislature as this bill). This subsection shall not apply, with
31 respect to the possession of an alcoholic beverage, to a passenger of
32 a charter or special bus operated as defined under R.S.48:4-1 or a
33 limousine service.

34 b. A person shall not be deemed to be in possession of an
35 opened or unsealed container or package of an alcoholic beverage
36 **[container]** or cannabis item pursuant to this section if such
37 container or package is located in the trunk of a motor vehicle,
38 behind the last upright seat in a trunkless vehicle, or in the living
39 quarters of a motor home or house trailer. For the purposes of this
40 section, the term "open or unsealed" shall mean a container or
41 package with its original seal broken, or a container or package that
42 is not the original container or package such as a glass **[or]** , cup,
43 box, bag, or wrapping.

44 c. For a first offense, a person convicted of violating this
45 section shall be fined \$200 and shall be informed by the court of the
46 penalties for a second or subsequent violation of this section. For a
47 second or subsequent offense, a person convicted of violating this

1 section shall be fined \$250 or shall be ordered by the court to
2 perform community service for a period of 10 days in such form
3 and on such terms as the court shall deem appropriate under the
4 circumstances.¹

5 (cf: P.L.2000, c.83, s.6)

6
7 ¹70. (New section) For two years next following the effective
8 date of P.L. , c. (C.) (pending before the Legislature as this
9 bill), the Police Training Commission in the Department of Law
10 and Public Safety shall reimburse the expenses incurred by any
11 county or municipality for the training costs associated with the
12 attendance and participation of a police officer from its law
13 enforcement unit, as those terms are defined in section 2 of
14 P.L.1961, c.56 (C.52:17B-67), in a program provided by an
15 approved school, also defined in that section, which trains and
16 certifies the police officer as a Drug Recognition Expert for
17 detecting, identifying, and apprehending drug-impaired motor
18 vehicle operators. A municipality or county seeking reimbursement
19 shall apply to the commission, itemizing the costs, with appropriate
20 proofs, for which reimbursement is requested and provide a copy of
21 the certificate issued to the police officer to indicate the officer's
22 successful completion of the program. If the municipality's or
23 county's reimbursement request is approved, the commission shall
24 provide the reimbursement from the "Law Enforcement Officers
25 Training and Equipment Fund" established pursuant to section 9 of
26 P.L.1996, c.115 (C.2C:43-3.3) or monies provided to the
27 commission for its use pursuant to section 3 of P.L.1967, c.252
28 (C.52:17B-71.1).¹

29
30 ¹**[39.] 71.**¹ (New section) ¹**[Marijuana Control and Regulation]**
31 **Cannabis Regulatory and Expungement Aid Modernization**¹ Fund.

32 ¹**a.**¹ All fees ¹**[,]** and¹ penalties ¹collected by the commission,¹
33 and ¹all¹ tax revenues collected by the Director of the Division of
34 ¹**[Marijuana Enforcement]** Taxation¹ pursuant to the provisions of
35 P.L. , c. (C.) (pending before the Legislature as this bill) ¹and
36 the "Jake Honig Compassionate Use Medical Cannabis Act,"
37 P.L.2009, c.307 (C.24:6I-1 et al.),¹ shall be ¹**[forwarded to the State**
38 **Treasurer for deposit]** deposited¹ in a special nonlapsing fund
39 which shall be known as the "¹**[Marijuana Control and Regulation]**
40 **Cannabis Regulatory and Expungement Aid Modernization**¹ Fund."

41 ¹**b.**¹ Monies in the fund shall be used ¹**[exclusively for the**
42 **operation of the Division of Marijuana Enforcement and for**
43 **reimbursement of all additional costs of enforcement of the**
44 **provisions of P.L. , c. (C.) (pending before the Legislature as**
45 **this bill) incurred by the Department of the Treasury]** by the
46 commission to oversee the development, regulation, and

1 enforcement of activities associated with the personal use of
2 cannabis pursuant to P.L. , c. (C.), and assume
3 responsibility from the Department of Health for the further
4 development and expansion, regulation, and enforcement of
5 activities associated with the medical use of cannabis pursuant to
6 the “Jake Honig Compassionate Use Medical Cannabis Act,”
7 P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-
8 12.22 et al.), as well as to defray costs, in an amount determined by
9 the Legislature in the annual appropriations act or any other act,
10 associated with the filing and review of applications for persons
11 seeking expedited expungement relief pursuant to section 38 of
12 P.L. , c. (C.) (pending before the Legislature as this bill)
13 for being charged with, convicted of, or adjudicated delinquent for
14 offenses associated with marijuana or hashish as set forth in that
15 section, which occurred prior to the date that section and other
16 sections of the “New Jersey Cannabis Regulatory and Expungement
17 Aid Modernization Act,” P.L. , c. (C.) (pending before the
18 Legislature as this bill) become operative, based upon the
19 commission’s adoption of the initial rules and regulations pursuant
20 to subparagraph (a) of paragraph (1) of subsection d. of section 8 of
21 that act, concerning the legal personal use cannabis marketplace,
22 and any remaining revenue shall be deposited in the State’s General
23 Fund¹.
24

25 ¹§40. (New section) Marijuana Regulation Review
26 Commission.

27 a. The Marijuana Regulation Review Commission shall consist
28 of one member appointed by the Governor, one member appointed
29 by the President of the Senate who shall be a member of the Senate,
30 and one member appointed by the Speaker of the General Assembly
31 who shall be a member of the General Assembly. The presiding
32 officer of the commission shall be determined by the members. The
33 members of the commission shall serve without pay in connection
34 with all such duties as are prescribed in P.L. , c. (C.) (pending
35 before the Legislature as this bill).

36 b. The commission shall call upon the Department of the
37 Treasury to assist in any staff or clerical functions of the
38 commission.

39 c. All meetings of the commission shall be open to the public
40 and all the business of the commission shall be transacted at public
41 meetings held at such time and place as the commission shall
42 prescribe. The commission shall meet at such times as determined
43 by the chairperson of the commission.

44 The secretary shall transmit to each member of the commission a
45 copy of the minutes of each meeting within 24 hours after the
46 adjournment thereof. The minutes of the commission shall be open
47 to inspection by any citizen of the State at all times during business
48 hours.

d. The commission shall formulate and adopt rules of procedure for the commission in exercising its powers and fulfilling its duties under P.L. , c. (C.) (pending before the Legislature as this bill).

e. The concurrence of two of the members of the commission shall be necessary to validate all acts of the commission.

f. The commission shall make an annual detailed report of its actions and operations to the Legislature and render such other reports to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), as it shall from time to time require.

g. The Marijuana Regulation Review Commission shall review and approve regulations developed by the division pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) and may require regulations as deemed necessary. The commission shall have such other and further powers and perform such other and further duties as may be conferred or imposed upon it from time to time by the Legislature.】¹

¹【41. (New section) Possession of up to one ounce of marijuana shall constitute a civil violation not subject to arrest, and limited to a fine of up to \$100, notwithstanding the provisions of N.J.S. 2C:35-10.】¹

¹【42.】 72.¹ (New section) ¹【Retail Marijuana】 Cannabis¹ Consumption ¹【area】 Area¹.

a. ¹(1)¹ A local governmental entity may authorize ¹, through the enactment of an ordinance,¹ the operation of ¹【retail marijuana】 locally endorsed cannabis¹ consumption areas ¹by cannabis retailers and alternative treatment centers¹ within its jurisdiction ¹【through the enactment of an ordinance】 , at which areas the on-premises consumption of personal use, medical use, or both personal use and medical use cannabis may occur.

(2) As further specified in subsection h. of this section, an endorsed cannabis consumption area shall be either: (a) an indoor, structurally enclosed area of a cannabis retailer or alternative treatment center that is separate from the area in which retail sales of cannabis items or the dispensing of medical cannabis occurs; or (b) an exterior structure on the same premises as the cannabis retailer or alternative treatment center, either separate from or connected to the retailer or center¹.

b. (1) If a local governmental entity authorizes the operation of ¹【retail marijuana】 cannabis¹ consumption areas, it may adopt an approval requirement that complies with the requirements of P.L. , c. (C.) (pending before the Legislature as this bill). ¹【The local governmental entity may require additional or more stringent requirements than those provided in this section.】¹

(2) Notwithstanding the provisions of this subsection, a local governmental entity shall not allow a ¹‘[retail marijuana] cannabis¹’ consumption area endorsement to a ¹‘[marijuana] cannabis¹’ retailer ¹‘or alternative treatment center¹’ that is within 1,000 feet of a boundary with an adjoining jurisdiction that does not permit retail ¹‘[marijuana] cannabis¹’ establishments in its boundaries.

c. The ¹‘[division] commission¹’ may issue a ¹‘[retail marijuana] cannabis¹’ consumption area endorsement only to a ¹‘[marijuana retail licensee to sell retail marijuana, retail concentrate,] cannabis retailer¹’ or ¹‘[retail marijuana products for on-premises consumption] an alternative treatment center that has a permit to dispense medical cannabis to registered qualifying patients in accordance with the “Jake Honig Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or is also deemed to have, pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7) one or more Class 4 Cannabis Retailer licenses, and has been issued a license by the commission following receipt of written approval of the local governmental entity for operation of a cannabis retailer pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 28 of P.L. , c. (C.) (pending before the Legislature as this bill), or has otherwise been issued one or more such licenses by the commission pursuant to P.L. , c. (C.) (pending before the Legislature as this bill). An endorsement to a cannabis retailer shall only permit the consumption of personal use cannabis at the retailer’s consumption area. An endorsement to an alternative treatment center shall only permit the consumption of medical cannabis at the center’s consumption area, unless the alternative treatment center is also issued a Class 4 Cannabis Retail license, in which case that alternative treatment center may permit the consumption of both personal use and medical use cannabis at the center’s consumption area¹.

d. Applications for an endorsement pursuant to this section shall be made to the ¹‘[division] commission¹’ on forms prepared and furnished by the ¹‘[division] commission¹’ and shall set forth such information as ¹‘[division] the commission¹’ may require. ¹‘[The information shall include the name and address of the applicant, the address of the licensed marijuana retail store and the endorsed premises, and any other information requested by the division]’¹. Each application shall be verified by the oath or affirmation of such person or persons as the ¹‘[division] commission¹’ may prescribe. The endorsement is conditioned upon approval by a local governmental entity. An applicant is prohibited from operating a ¹‘[retail marijuana] cannabis¹’ consumption area without State and local ¹‘[licensing authority] approval¹’. If the applicant does not receive approval from the local governmental

1 entity within one year from the date of State ¹**["licensing"]**¹ approval,
2 the State endorsement expires and may not be renewed. If an
3 application is denied by the local governmental entity or the
4 approval of the local governmental entity is revoked, the
5 ¹**["division"] commission**¹ shall revoke the State endorsement. ¹Any
6 person aggrieved by the local denial of an endorsement application
7 may request a hearing in the Superior Court of the county in which
8 the person's application was filed. The request for a hearing shall
9 be filed within 30 days of the denial of the endorsement application.
10 The person shall serve a copy of his request for a hearing upon the
11 appropriate officer for the local governmental entity that denied the
12 application. The hearing shall be held and a record made thereof
13 within 30 days of the receipt of the application for a hearing. No
14 formal pleading and no filing fee shall be required for the hearing.¹

15 e. ¹(1)¹ The ¹**["division"] commission**¹ shall deny a State
16 endorsement if the premises on which the applicant proposes to
17 conduct its business does not meet the requirements of
18 P.L. , c. (C.) (pending before the Legislature as this bill) ¹or
19 the "Jake Honig Compassionate Use Medical Cannabis Act,"
20 P.L.2009, c.307 (C.24:6I-1 et al.), as applicable,¹ or for reasons set
21 forth in this section. The ¹**["division"] commission**¹ may revoke or
22 deny an endorsement renewal ¹₂¹ or reinstatement ¹₂¹ or an initial
23 endorsement for good cause.

24 ¹(2)¹ For purposes of this subsection "good cause" means:

25 ¹**["(1)"]** ¹(a)¹ the endorsed licensee or applicant has violated, does
26 not meet, or has failed to comply with any of the terms, conditions,
27 or provisions of this section, any rules promulgated pursuant to this
28 section, or any supplemental local law, rules, or regulations;

29 ¹**["(2)"]** ¹(b)¹ the endorsed licensee or applicant has failed to
30 comply with any special terms or conditions that were placed on its
31 endorsement pursuant to an order of the ¹**["State"] commission**¹ or
32 local ¹**["licensing authority"] governmental entity**¹; or

33 ¹**["(3)"]** ¹(c)¹ the premises have been operated in a manner that
34 adversely affects the public health or the safety of the immediate
35 neighborhood in which the establishment is located.

36 ¹(3) Any commission decision made pursuant to this subsection
37 shall be considered a final agency action for the purposes of the
38 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
39 seq.) and shall be subject only to judicial review as provided in the
40 Rules of Court.¹

41 f. The ¹**["retail marijuana"] cannabis**¹ consumption area
42 endorsement is valid for one year and may be renewed annually
43 upon the renewal of the ¹**["retail marijuana store"] cannabis retail**
44 licensee's¹ license ¹or the alternative treatment center's permit or
45 retail license¹. The ¹**["division"] commission**¹ shall establish by rule
46 the amount of the application fee and renewal fee for the

1 endorsement 'which shall not exceed the administrative cost for
2 processing and reviewing the application'.

3 g. The '[division] commission' shall maintain a list of all
4 '[retail marijuana] cannabis' consumption areas in the State and
5 shall make the list available on its website.

6 h. '[Except as otherwise specified, all requirements of the
7 marijuana retail store apply to the retail marijuana consumption
8 area.

9 i. 'A [retail marijuana] cannabis' consumption
10 '[establishment shall be subject to the provisions of P.L.2005,
11 c.383 (C.26:3D-55 et al.) the "New Jersey Smoke-Free Air Act."

12 j.] area on the premises of a cannabis retailer or alternative
13 treatment center may be indoors or outdoors, and shall be
14 designated by conspicuous signage indicating whether it may be
15 used for the on-premises consumption of personal use or medical
16 use cannabis, or both.

17 (1) An indoor consumption area shall be a structurally enclosed
18 area within a cannabis retailer or alternative treatment center that is
19 separated by solid walls or windows from the area in which retail
20 sales of cannabis or the dispensing of medical cannabis occurs,
21 shall only be accessible through an interior door after first entering
22 the retailer or center, and shall comply with all ventilation
23 requirements applicable to cigar lounges, as that term is defined in
24 section 3 of P.L.2005, c.383 (C.26:3D-57), in order to permit indoor
25 smoking that is the equivalent of smoking tobacco not in violation
26 of the "New Jersey Smoke-Free Air Act," P.L.2005, c.383
27 (C.26:3D-55 et seq.). Any consumption of cannabis items or
28 medical cannabis shall not be visible from outside the cannabis
29 retailer or alternative treatment center.

30 (2) An outdoor consumption area shall be an exterior structure
31 on the same premises as the cannabis retailer or alternative
32 treatment center, that is either separate from or connected to the
33 retailer or center and that is not required to be completely enclosed,
34 but shall have enough walls, fences, or other barriers to prevent any
35 view of persons consuming personal use cannabis items or medical
36 cannabis from any sidewalk or other pedestrian or non-motorist
37 right-of-way, as the case may be, within the consumption area, and
38 with respect to any consumption by smoking, the cannabis retailer
39 or alternative treatment center operating the outdoor consumption
40 area shall ensure that any smoking does not result in migration,
41 seepage, or recirculation of smoke to any indoor public place or
42 workplace, as those terms are defined in section 3 of P.L.2005,
43 c.383 (C.26:3D-57).

44 i. An endorsed 'cannabis retail' licensee 'or alternative
45 treatment center' and its employees '[shall not] , subject to any
46 regulations for cannabis consumption areas promulgated by the
47 commission, may':

1 (1) permit a person to bring medical or retail ¹["marijuana]
 2 cannabis¹, medical or retail ¹["marijuana] cannabis¹ concentrate, a
 3 medical ¹["marijuana] cannabis¹-infused product, or a retail
 4 ¹["marijuana] cannabis-infused¹ product into a ¹["retail marijuana]
 5 cannabis¹ consumption area; ¹or¹

6 (2) ¹["sell alcohol, including fermented malt beverages or malt,
 7 vinous, or spirituous liquor, sell tobacco or nicotine products, or
 8 allow the consumption of alcohol or tobacco or nicotine products on
 9 premises;

10 (3) operate as a retail food establishment;

11 (4) allow on-duty employees of the establishment to consume
 12 any medical or retail marijuana, medical or retail marijuana
 13 concentrate, medical marijuana-infused products, or retail
 14 marijuana products in the establishment; or

15 (5) ¹ allow distribution of free samples of medical or retail
 16 ¹["marijuana] cannabis¹, medical or retail ¹["marijuana] cannabis¹
 17 concentrate, medical ¹["marijuana] cannabis¹-infused products, or
 18 retail ¹["marijuana] cannabis-infused¹ products in the
 19 ¹["establishment] consumption area¹.

20 ¹An endorsed cannabis retail licensee or alternative treatment
 21 center and its employees shall not sell alcohol, including fermented
 22 malt beverages or malt, vinous, or spirituous liquor, sell tobacco or
 23 nicotine products, or allow the consumption of alcohol or tobacco
 24 or nicotine products on premises, or operate as a retail food
 25 establishment. An endorsed cannabis retail licensee or alternative
 26 treatment center shall also not allow on-duty employees of the
 27 establishment to consume any medical or retail cannabis, medical or
 28 retail cannabis concentrate, medical cannabis-infused products, or
 29 retail cannabis-infused products in the establishment.¹

30 ¹["k.] j.¹ A ¹["retail marijuana] cannabis¹ consumption area and
 31 its employees shall admit into the ¹["establishment] cannabis
 32 retailer or alternative treatment center¹ only patrons who are at least
 33 21 years of age ¹, and shall require each patron to produce a form of
 34 government-issued identification that may be accepted, pursuant to
 35 subparagraph (a) of paragraph (6) of subsection a. of section 16 of
 36 P.L. , c. (C.) (pending before the Legislature as this bill), in
 37 order to enter and be sold or served cannabis items or medical
 38 cannabis¹.

39 ¹["l.] k.¹ (1) A ¹["retail marijuana] cannabis retailer or alternative
 40 treatment center operating a cannabis¹ consumption area shall limit
 41 a patron to ¹["one transaction of"]¹ no more than the sales limit set
 42 by the ¹["division] commission¹. A ¹["retail marijuana] cannabis
 43 retailer or alternative treatment center operating a cannabis¹
 44 consumption area shall not engage in multiple sales transactions to
 45 the same patron during the same business day when the
 46 establishment's employee knows or reasonably should have known

1 that the sales transaction would result in the patron possessing more
 2 than the sales limit established by the **1[division] commission¹**. A
 3 patron may leave the **1[establishment] consumption area¹** with
 4 **1any¹** product that he does not consume **1[only if, prior to leaving**
 5 **the premises, the product is packaged and labeled pursuant to the**
 6 **requirements of P.L. , c. (C.) (pending before the**
 7 **Legislature as this bill)]¹**.

8 (2) When a patron leaves a **1[retail marijuana] cannabis¹**
 9 consumption area, the establishment shall destroy any remaining
 10 unconsumed retail **1[marijuana] cannabis¹**, retail **1[marijuana]**
 11 **cannabis¹** concentrate, **1[or]¹** retail **1[marijuana] cannabis-infused¹**
 12 **products¹, or medical cannabis¹** that **1[are] is¹** not taken by a
 13 patron pursuant to **1paragraph (1) of¹** this subsection.

14 **1[m.] 1.** A **1[retail marijuana] cannabis¹** consumption area and
 15 its employees:

16 (1) shall operate the establishment in a decent, orderly, and
 17 respectable manner and shall not serve any patron who displays any
 18 visible signs of intoxication;

19 (2) may remove an individual from the establishment for any
 20 reason, including a patron who displays any visible signs of
 21 intoxication;

22 (3) shall not knowingly permit any activity or acts of disorderly
 23 conduct; **1and¹**

24 (4) shall not permit rowdiness, undue noise, or other
 25 disturbances or activity offensive to the average citizen or to the
 26 residents of the neighborhood in which the **1[licensed**
 27 **establishment] consumption area¹** is located **1[; and**

28 (5) shall not allow the use of any device using any liquid
 29 petroleum gas, a butane torch, a butane lighter, or matches in the
 30 establishment¹.

31 **1[n.] m.** A **1[retail marijuana] cannabis¹** consumption area
 32 and all of its employees who work at the endorsed premises shall
 33 successfully complete **1[an annual] any¹** responsible vendor
 34 training program **1established in regulation by the commission¹**.

35 **1[o.] n.** A **1[retail marijuana] cannabis¹** consumption area
 36 shall provide **1, if required by the commission,¹** information
 37 regarding the safe consumption of **1[retail marijuana, retail**
 38 **marijuana concentrate, or a retail marijuana product] cannabis¹** at
 39 the point of sale to all patrons who **1make a¹** purchase **1[such a**
 40 **product. The requirements for such information shall be established**
 41 **by the division, established pursuant to P.L. , c. (C.)**
 42 **(pending before the Legislature as this bill).** The content of the
 43 information on health and safety shall be based on the relevant
 44 research from the panel of health care professionals appointed
 45 pursuant to P.L. , c. (C.) (pending before the Legislature
 46 as this bill)¹.

1 ¹[p. A local governmental entity may require information
2 regarding the safe consumption of retail marijuana concentrate or a
3 retail marijuana product in addition to that required by this section.

4 q.] o.¹ The information required by this section shall be
5 maintained on the endorsed premises for inspection by State and
6 local ¹[licensing] endorsing¹ authorities and law enforcement.

7 ¹[r. The establishment shall ensure that the display and
8 consumption of any retail marijuana, retail marijuana concentrate,
9 or retail marijuana product is not visible from outside of the
10 establishment.

11 s.] p.¹ If an emergency requires law enforcement,
12 firefighters, emergency medical services providers, or other public
13 safety personnel to enter a ¹[retail marijuana] cannabis¹
14 consumption area, employees of the establishment shall cease all
15 on-site sales and prohibit on-site consumption until such personnel
16 have completed their investigation or services and have left the
17 premises.

18
19 ¹[43. Section 3 of P.L.2005, c.383 (C.26:3D-57) is amended to
20 read as follows:

21 3. As used in this act:

22 "Bar" means a business establishment or any portion of a
23 nonprofit entity, which is devoted to the selling and serving of
24 alcoholic beverages for consumption by the public, guests, patrons
25 or members on the premises and in which the serving of food, if
26 served at all, is only incidental to the sale or consumption of such
27 beverages.

28 "Cigar bar" means any bar, or area within a bar, designated
29 specifically for the smoking of tobacco products, purchased on the
30 premises or elsewhere; except that a cigar bar that is in an area
31 within a bar shall be an area enclosed by solid walls or windows, a
32 ceiling and a solid door and equipped with a ventilation system
33 which is separately exhausted from the nonsmoking areas of the bar
34 so that air from the smoking area is not recirculated to the
35 nonsmoking areas and smoke is not backstreamed into the
36 nonsmoking areas.

37 "Cigar lounge" means any establishment, or area within an
38 establishment, designated specifically for the smoking of tobacco
39 products, purchased on the premises or elsewhere; except that a
40 cigar lounge that is in an area within an establishment shall be an
41 area enclosed by solid walls or windows, a ceiling and a solid door
42 and equipped with a ventilation system which is separately
43 exhausted from the nonsmoking areas of the establishment so that
44 air from the smoking area is not recirculated to the nonsmoking
45 areas and smoke is not backstreamed into the nonsmoking areas.

46 "Electronic smoking device" means an electronic device that can
47 be used to deliver nicotine or other substances to the person

1 inhaling from the device, including, but not limited to, an electronic
2 cigarette, cigar, cigarillo, or pipe.

3 "Indoor public place" means a structurally enclosed place of
4 business, commerce or other service-related activity, whether
5 publicly or privately owned or operated on a for-profit or nonprofit
6 basis, which is generally accessible to the public, including, but not
7 limited to: a commercial or other office building; office or building
8 owned, leased or rented by the State or by a county or municipal
9 government; public and nonpublic elementary or secondary school
10 building; board of education building; theater or concert hall; public
11 library; museum or art gallery; bar; restaurant or other
12 establishment where the principal business is the sale of food for
13 consumption on the premises, including the bar area of the
14 establishment; garage or parking facility; any public conveyance
15 operated on land or water, or in the air, and passenger waiting
16 rooms and platform areas in any stations or terminals thereof; health
17 care facility licensed pursuant to P.L.1971, c.136 (C.26:2H-1 et
18 seq.); patient waiting room of the office of a health care provider
19 licensed pursuant to Title 45 of the Revised Statutes; child care
20 center licensed pursuant to P.L.1983, c.492 (C.30:5B-1 et seq.);
21 race track facility; facility used for the holding of sporting events;
22 ambulatory recreational facility; shopping mall or retail store; hotel,
23 motel or other lodging establishment; apartment building lobby or
24 other public area in an otherwise private building; or a passenger
25 elevator in a building other than a single-family dwelling.

26 "Retail marijuana consumption area" means any area in a
27 marijuana retail establishment, pursuant to section 42 of
28 P.L. , c. (C.) (pending before the Legislature as this bill),
29 designated specifically for the smoking of marijuana purchased on
30 the premises; provided that the area shall be enclosed by solid walls
31 or windows, a ceiling and a solid door and equipped with a
32 ventilation system which is separately exhausted from the
33 nonsmoking areas of the establishment so that air from the smoking
34 area is not recirculated to the nonsmoking area and smoke is not
35 backstreamed into the nonsmoking areas.

36 "Person having control of an indoor public place or workplace"
37 means the owner or operator of a commercial or other office
38 building or other indoor public place from whom a workplace or
39 space within the building or indoor public place is leased.

40 "Smoking" means the burning of, inhaling from, exhaling the
41 smoke from, or the possession of a lighted cigar, cigarette, pipe or
42 any other matter or substance which contains tobacco or any other
43 matter that can be smoked, or the inhaling or exhaling of smoke or
44 vapor from an electronic smoking device.

45 "Tobacco retail establishment" means an establishment in which
46 at least 51% of retail business is the sale of tobacco products and
47 accessories, and in which the sale of other products is merely
48 incidental.

1 "Workplace" means a structurally enclosed location or portion
2 thereof at which a person performs any type of service or labor.
3 (cf: P.L.2009, c.182, s.2)]¹

4
5 ¹73. (New section) Consuming, including by smoking, any
6 cannabis item available for lawful consumption pursuant to the
7 "New Jersey Cannabis Regulatory and Expungement Aid
8 Modernization Act," P.L. , c. (C.) (pending before the
9 Legislature as this bill), is prohibited in any area of any building of,
10 on the grounds of, or in any facility owned, leased, or controlled by,
11 any public or private institution of higher education or a related
12 entity thereof, regardless of whether the area or facility is an indoor
13 place or is outdoors. As used in this subsection "related entity"
14 includes, but is not limited to, the foundation, auxiliary services
15 corporation, or alumni association, or any subsidiary thereof, of an
16 institution of higher learning. Any penalties that may be assessed
17 for the smoking of tobacco where prohibited under the "New Jersey
18 Smoke-Free Air Act," P.L.2005, c.383 (C.26:3D-55 et seq.), shall
19 be applicable to the consumption of cannabis items where
20 prohibited by this section.¹

21
22 ¹[44. Section 5 of P.L.2005, c.383 (C.26:3D-59) is amended to
23 read as follows:

24 5. The provisions of this act shall not apply to:

25 a. any cigar bar or cigar lounge that, in the calendar year
26 ending December 31, 2004, generated 15% or more of its total
27 annual gross income from the on-site sale of tobacco products and
28 the rental of on-site humidors, not including any sales from vending
29 machines, and is registered with the local board of health in the
30 municipality in which the bar or lounge is located. The registration
31 shall remain in effect for one year and shall be renewable only if:
32 (1) in the preceding calendar year, the cigar bar or lounge generated
33 15% or more of its total annual gross income from the on-site sale
34 of tobacco products and the rental of on-site humidors, and (2) the
35 cigar bar or cigar lounge has not expanded its size or changed its
36 location since December 31, 2004;

37 b. any tobacco retail establishment, or any area the tobacco
38 retail establishment provides for the purposes of smoking;

39 c. any tobacco business when the testing of a cigar or pipe
40 tobacco by heating, burning or smoking is a necessary and integral
41 part of the process of making, manufacturing, importing or
42 distributing cigars or pipe tobacco;

43 d. private homes, private residences and private automobiles;

44 e. the area within the perimeter of:

45 (1) any casino as defined in section 6 of P.L.1977, c.110
46 (C.5:12-6) approved by the Casino Control Commission that
47 contains at least 150 stand-alone slot machines, 10 table games, or

1 some combination thereof approved by the commission, which
2 machines and games are available to the public for wagering; and

3 (2) any casino simulcasting facility approved by the Casino
4 Control Commission pursuant to section 4 of P.L.1992, c.19
5 (C.5:12-194) that contains a simulcast counter and dedicated seating
6 for at least 50 simulcast patrons or a simulcast operation and at least
7 10 table games, which simulcast facilities and games are available
8 to the public for wagering; **and**

9 f. research laboratories and other facilities that have been
10 approved by the Department of Health to permit smoking for the
11 purpose of medical research related to the health effects of
12 smoking, in an indoor facility that is separately ventilated for the
13 purpose of medical or scientific research that is conducted under
14 physician supervision and has been approved by an Investigational
15 Review Board (IRB), if the facility is used solely and exclusively
16 for clinical research activities; and

17 g. any marijuana retail establishment, or any area the marijuana
18 retail establishment provides for the purposes of retail marijuana
19 consumption pursuant to P.L. , c. (C.) (pending before
20 the Legislature as this bill).

21 (cf: P.L.2017, c.271) **】¹**

22
23 ¹**【45. (New section) Impact Zones. a. The impact zones**
24 **identified in subsection c. of this section identify the characteristics**
25 **of geographical areas where a combination of social and economic**
26 **factors reduce the likelihood that persons from that area would,**
27 **without support, benefit from a marijuana business, employment**
28 **and other related opportunities.**

29 **b. New Jersey shall establish a prioritization system for issuing**
30 **marijuana licenses to applicants who (1) meet all licensing**
31 **requirements of P.L. , c. (C.) (pending before the**
32 **Legislature as this bill) and (2) meet the requirements of subsection**
33 **c. of this section.**

34 **c. Census tracts in New Jersey that rank in the top 33% for**
35 **marijuana related arrests and the bottom 33% for median household**
36 **income shall be designated an impact zone. To the extent possible,**
37 **at least 25% of the total licenses awarded for Class 4 Marijuana**
38 **Retailer license shall be awarded to applicant who can demonstrate**
39 **one of the following criteria, with higher tiers given priority within**
40 **this license category:**

41 **(1) Tier 1 – at least 51% of the equity associated with the**
42 **ownership of the dispensary belongs to individuals who live in an**
43 **impact zone;**

44 **(2) Tier 2 – At least 20% of the equity associated with the**
45 **ownership of the dispensary belongs to individuals who live in an**
46 **impact zone;**

(3) Tier 3 – This tier shall incubate a Tier 1 or Tier 2 business by providing free lease space financial support or other support identified by the division.

d. To the extent possible, of the 25% of the licenses awarded pursuant to subsection c., the division shall seek to ensure that at least 75% of those licenses shall be awarded to applications that seek to establish a dispensary in an Impact Zone.

e. An individual shall be deemed a resident of an impact zone who can establish residency in an impact zone for five of the last ten years.¹

¹74. (New section) Severability.

If any clause, sentence, paragraph, section, or part of P.L. , c. (C.) (pending before the Legislature as this bill) shall be adjudged by any court of competent jurisdiction to be unconstitutional or otherwise invalid, that judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which the judgment shall have been rendered.¹

¹[46.] 75.¹ This act shall take effect as follows:

a. sections 1 through ¹[40, and sections 42 through 45 shall take effect 180 days after enactment except the Director of the Division of Marijuana Enforcement may take such anticipatory action as may be necessary to effectuate the provisions of this act] 3, 7 through 17, 20, 23, 29, 32, 41, 46 and 47, 50 through 53, 61 and 62, 70, 73, and 74 shall take effect immediately¹; ¹[and]¹

b. ¹[section 41] sections 4 through 6, 18 and 19, 21 and 22, 24 through 28, 30 and 31, 33 through 40, 42 through 45, 48 and 49, 54 through 60, 63 through 69, 71 and 72¹ shall take effect immediately, but shall ¹[expire 180 days after enactment] only become operative upon adoption of the commission's initial rules and regulations pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill); and

c. The Attorney General, Commissioner of Health, and Commissioner of Banking and Insurance, and once constituted and organized, the Cannabis Regulatory Commission, may take such anticipatory administrative action as may be necessary to effectuate the provisions of P.L. , c. (C.) (pending before the Legislature as this bill)¹.