

# SENATE, No. 2945

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 27, 2022

**Sponsored by:**

**Senator NICHOLAS P. SCUTARI**

**District 22 (Middlesex, Somerset and Union)**

**Assemblywoman ELIANA PINTOR MARIN**

**District 29 (Essex)**

**Assemblywoman SHAVONDA E. SUMTER**

**District 35 (Bergen and Passaic)**

**Assemblywoman ANNETTE QUIJANO**

**District 20 (Union)**

**Assemblywoman ANGELA V. MCKNIGHT**

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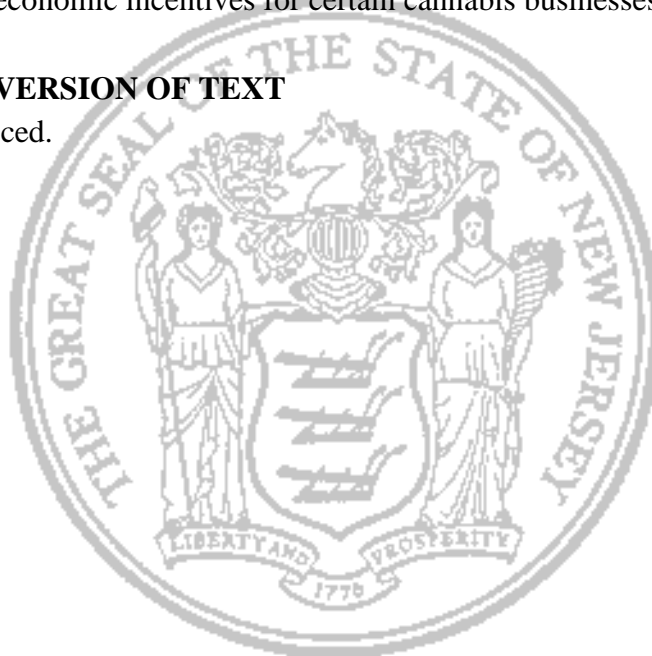
**Assemblywoman Reynolds-Jackson**

**SYNOPSIS**

Concerns economic incentives for certain cannabis businesses.

**CURRENT VERSION OF TEXT**

As introduced.



(Sponsorship Updated As Of: 6/29/2022)

S2945 SCUTARI

2

1 AN ACT concerning economic incentives for certain cannabis  
2 businesses and amending P.L.2021, c.16.

3

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

6

7 1. Section 37 of P.L.2021, c.16 (C.24:6I-49) is amended to read  
8 as follows:

9 37. Business Treatment of Cannabis Establishments,  
10 Distributors, and Delivery Services.

11 With respect to the business treatment of cannabis  
12 establishments, distributors, and delivery services:

13 a. A financial institution, as defined by section 2 of P.L.1983,  
14 c.466 (C.17:16K-2), shall not, subject to the suspension or  
15 revocation of a charter or other available enforcement action by the  
16 Commissioner of Banking and Insurance, engage in any  
17 discriminatory activities with respect to the banking activities of a  
18 cannabis establishment, distributor, or delivery service, or the  
19 banking activities of a person associated with a cannabis  
20 establishment, distributor, or delivery service.

21 b. (1) In no case shall a cannabis cultivator operate or be located  
22 on land that is valued, assessed or taxed as an agricultural or  
23 horticultural use pursuant to the "Farmland Assessment Act of  
24 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

25 (2) **【**As used in this paragraph, "State or local economic  
26 incentive" means a financial incentive, awarded by the State, any  
27 political subdivision of the State, or any agency or instrumentality  
28 of the State or political subdivision of the State, to any non-  
29 governmental person, association, for-profit or non-profit  
30 corporation, joint venture, limited liability company, partnership,  
31 sole proprietorship, or other form of business organization or entity,  
32 or agreed to between the government and non-governmental parties,  
33 for the purpose of stimulating economic development or  
34 redevelopment in New Jersey, including, but not limited to, a bond,  
35 grant, loan, loan guarantee, matching fund, tax credit, or other tax  
36 expenditure.**】**

37 (a) (i) A person or entity issued a license to operate as a cannabis  
38 cultivator, cannabis manufacturer, cannabis wholesaler, cannabis  
39 distributor, cannabis retailer, or cannabis delivery service, or that  
40 employs a certified personal use cannabis handler to perform work  
41 for or on behalf of a cannabis establishment, distributor, or delivery  
42 service shall not be eligible for a State or local economic incentive.

43 (ii) The issuance of a license to operate as a cannabis cultivator,  
44 cannabis manufacturer, cannabis wholesaler, cannabis distributor,  
45 cannabis retailer, or cannabis delivery service, or the issuance of a

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

**Matter underlined thus is new matter.**

1 certification to perform work for or on behalf of a cannabis  
2 establishment, distributor, or delivery service to a person or entity  
3 that has been awarded a State or local economic incentive shall  
4 invalidate the right of the person or entity to benefit from the  
5 economic incentive as of the date of issuance of the license or  
6 certification.

7 (b) (i) A property owner, developer, or operator of a project to be  
8 used, in whole or in part, by or to benefit a cannabis cultivator,  
9 cannabis manufacturer, cannabis wholesaler, cannabis distributor,  
10 cannabis retailer, or cannabis delivery service, or to employ a  
11 certified personal use cannabis handler to perform work for or on  
12 behalf of a cannabis establishment, distributor, or delivery service,  
13 shall not be eligible for a State or local economic incentive during  
14 the period of time that the economic incentive is in effect.

15 (ii) The issuance of a license to operate as a cannabis cultivator,  
16 cannabis manufacturer, cannabis wholesaler, cannabis distributor,  
17 cannabis retailer, or cannabis delivery service, or issuance of a  
18 certification to perform work for or on behalf of a cannabis  
19 establishment, distributor, or delivery service at a location that is  
20 the subject of a State or local economic incentive shall invalidate  
21 the right of a property owner, developer, or operator to benefit from  
22 the economic incentive as of the date of issuance of the license or  
23 certification.

24 c. As used in this section:

25 (1) “Small business” means any business which has its principal  
26 place of business in this State, is independently owned and  
27 operated, and employs the equivalent of fewer than 250 full-time  
28 employees.

29 (2) “State or local economic incentive” means a financial  
30 incentive awarded by the State pursuant to the “New Jersey  
31 Economic Recovery Act of 2020,” P.L.2020, c.156 (C.34:1B-269 et  
32 al.), any political subdivision of the State, or any agency or  
33 instrumentality of a political subdivision of the State, to any non-  
34 governmental person, association, for-profit or non-profit  
35 corporation, joint venture, limited liability company, partnership,  
36 sole proprietorship, or other form of business organization or entity  
37 agreed to between the government and non-governmental parties,  
38 for the purpose of stimulating economic development or  
39 redevelopment in New Jersey including, but not limited to, a bond,  
40 grant, loan, loan guarantee, matching fund, tax credit, or other tax  
41 expenditure. “State or local economic incentive” shall not include:

42 (a) financial incentives awarded pursuant to a program created  
43 by the New Jersey Economic Development Authority for the  
44 purpose of providing financial or technical assistance to a  
45 prospective or licensed cannabis cultivator, cannabis manufacturer,  
46 cannabis wholesaler, cannabis distributor, cannabis retailer, or  
47 cannabis delivery service that qualifies as a small business if the  
48 program created by the authority:

1 (i) requires a portion of any funds made available under the  
2 program to be reserved for businesses operating within an impact  
3 zone as defined in paragraph (1) of subsection e. of section 19 of  
4 P.L.2021, c.16 (C.24:6I-36); or

5 (ii) is funded in whole or in part through an appropriation of  
6 monies derived from the Social Equity Excise Fee pursuant to  
7 section 39 of P.L.2021, c.16 (C.54:47F-1) and provides that the  
8 monies appropriated from the Social Equity Excise Fee shall be  
9 restricted to businesses operating within an impact zone as defined  
10 in paragraph (1) of subsection e. of section 19 of P.L.2021, c.16  
11 (C.24:6I-36); and

12 (b) funding made available by the Department of Labor and  
13 Workforce Development for on-the-job training.  
14 (cf: P.L.2021, c.16, s.37)

15

16 2. This act shall take effect immediately.

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STATEMENT

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21 This bill concerns economic incentives for certain cannabis  
22 businesses.

23 Under current law, certain persons and entities that are issued a  
24 license to operate as a cannabis cultivator, manufacturer,  
25 wholesaler, distributor, retailer, or delivery service; and property  
26 owners, developers, and operators of projects that are to be used to  
27 benefit these licensees are prohibited from receiving certain State or  
28 local economic incentives. The provisions of the bill provide that  
29 these exclusions do not apply to certain cannabis businesses,  
30 enabling them to receive the economic incentives.

31 Under the bill, the definition of "State or local economic  
32 incentive" is amended to exclude from the definition:

- 33 • financial incentives awarded pursuant to a program created  
34 by the New Jersey Economic Development Authority for the  
35 purpose of providing financial or technical assistance to a  
36 prospective or licensed cannabis cultivator, cannabis  
37 manufacturer, cannabis wholesaler, cannabis distributor,  
38 cannabis retailer, or cannabis delivery service that qualifies  
39 as a small business if the program created by the authority:  
40 (1) requires a portion of any funds made available under the  
41 program to be reserved for businesses operating within an  
42 impact zone, and (2) is funded in whole or in part through  
43 monies derived from the Social Equity Excise Fee and  
44 provides that the monies appropriated from the Social Equity  
45 Excise Fee are to be restricted to businesses operating within  
46 an impact zone; and
- 47 • funding made available by the Department of Labor and  
48 Workforce Development for on-the-job training.

**S2945 SCUTARI**

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1       The bill defines “small business” to mean any business which  
2       has its principal place of business in this State, is independently  
3       owned and operated, and employs the equivalent of fewer than 250  
4       full-time employees.