

**SENATE, No. 3438**

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**STATE OF NEW JERSEY**

**220th LEGISLATURE**

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INTRODUCED JANUARY 10, 2023

**Sponsored by:**

**Senator JOSEPH P. CRYAN**

**District 20 (Union)**

**SYNOPSIS**

Establishes THC potency limit for cannabis products.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning potency of cannabis and amending P.L.2021,  
2 c.16.

3

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

6

7 1. Section 18 of P.L.2021, c.16 (C.24:6I-35) is amended to read  
8 as follows:

9 18. Regulation of Cannabis.

10 a. The commission shall adopt rules and regulations, pursuant  
11 to subsection d. of section 6 of P.L.2021, c.16 (C.24:6I-34), which  
12 shall be consistent with the intent of P.L.2021, c.16 (C.24:6I-31 et  
13 al.). The commission may create an expert task force to make  
14 recommendations to the commission about the content of such  
15 regulations. Such regulations shall include:

16 (1) Procedures for the application, issuance, denial, renewal,  
17 suspension, and revocation of a license or conditional license to  
18 operate as a cannabis establishment, distributor, or delivery service.  
19 Such procedures shall include a periodic evaluation of whether the  
20 number of each class of cannabis establishment, or cannabis  
21 distributors or cannabis delivery services, is sufficient to meet the  
22 market demands of the State, a result of which is the commission's  
23 authority to accept new applications and issue additional licenses as  
24 it deems necessary to meet those demands, except as otherwise  
25 provided in section 33 of P.L.2021, c.16 (C.24:6I-46) regarding an  
26 initial period during which the number of Class 1 Cannabis  
27 Cultivator licenses is capped, which limit shall not apply to  
28 cannabis cultivator licenses issued to microbusinesses as set forth in  
29 that section;

30 (2) Application, licensure, and renewal of licensure fees;

31 (3) Incorporation of the licensing goals for applicants for  
32 licensure who are New Jersey residents established in P.L.2021,  
33 c.16 (C.24:6I-31 et al.). The commission shall make good faith  
34 efforts to meet these goals. Qualifications for licensure shall be  
35 directly and demonstrably related to the operation of a cannabis  
36 establishment, distributor, or delivery service, provided that the  
37 commission shall make licenses available to as diverse a group as  
38 reasonably practicable, however no license of any kind shall be  
39 issued to a person under the legal age to purchase cannabis items;

40 (4) (a) Incorporation of the licensing measures established by the  
41 Office of Minority, Disabled Veterans, and Women Cannabis  
42 Business Development pursuant to subparagraph (b) of paragraph  
43 (1) of subsection c. of section 32 of P.L.2019, c.153 (C.24:6I-25) to  
44 promote the licensing of persons from socially and economically  
45 disadvantaged communities, and minority businesses and women's

**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 businesses, as these terms are defined in section 2 of P.L.1986,  
2 c.195 (C.52:27H-21.18), and disabled veterans' businesses as  
3 defined in section 2 of P.L.2015, c.116 (C.52:32-31.2). The  
4 commission shall coordinate with the office with respect to the  
5 incorporation of these licensing measures;

6 (b) Procedures, to monitor the incorporated licensing measures  
7 established by the Office of Minority, Disabled Veterans, and  
8 Women Cannabis Business Development, which shall include a  
9 verification, as part of the application process for licensure or  
10 license renewal, of a minority, women's, or disabled veterans'  
11 business certification provided to that business by the office  
12 pursuant to paragraph (1) of subsection b. of section 32 of  
13 P.L.2019, c.153 (C.24:6I-25), or verification of an application for  
14 certification under review by the office pursuant to that paragraph,  
15 which review is occurring simultaneous to the application for  
16 licensure or license renewal;

17 (5) Security requirements for cannabis establishments and  
18 transportation of cannabis and cannabis items;

19 (6) Requirements to prevent the sale or diversion of cannabis  
20 items to persons under the legal age to purchase cannabis items,  
21 including, but not limited to, requirements that:

22 (a) All licensees and licensee representatives, before permitting  
23 entrance to a cannabis establishment and selling or serving cannabis  
24 items to any person, shall require such person to produce one of the  
25 following pieces of identification:

26 (i) The person's United States passport, or other country's  
27 passport or proper government-issued documentation for  
28 international travel if a citizen or other lawfully recognized resident  
29 of that country, who is lawfully permitted to possess and use that  
30 country's passport or government-issued documentation for  
31 purposes of identification in the United States;

32 (ii) The person's motor vehicle driver's license, whether issued  
33 by New Jersey or by any other state, territory, or possession of the  
34 United States, or the District of Columbia, provided the license  
35 displays a picture of the person;

36 (iii) A New Jersey identification card issued by the New Jersey  
37 Motor Vehicle Commission; or

38 (iv) Any other identification card issued by a state, territory, or  
39 possession of the United States, the District of Columbia, or the  
40 United States that bears a picture of the person, the name of the  
41 person, the person's date of birth, and a physical description of the  
42 person;

43 (b) No cannabis establishment, distributor, or delivery service  
44 shall employ persons under 18 years of age nor shall any cannabis  
45 retailer allow persons under the legal age to purchase cannabis  
46 items, other than a person employed by the retailer, to enter or  
47 remain on the premises of a cannabis retailer unless accompanied  
48 by a parent or legal guardian;

1 (c) Packaging and branding regulations to prevent the marketing  
2 of cannabis items and cannabis paraphernalia to people under the  
3 legal age to purchase cannabis items;

4 (d) No edible cannabis products shall be manufactured,  
5 marketed, or sold that are in the shape of, or a shape bearing the  
6 likeness or containing characteristics of, a realistic or fictional  
7 human, animal, or fruit, or part thereof, including artistic,  
8 caricature, or cartoon renderings;

9 (7) Labeling and packaging requirements for cannabis items  
10 sold or distributed by a cannabis establishment, including, but not  
11 limited to, the affixing of a tracking stamp to containers or  
12 packaging as set forth in section 29 of P.L.2019, c.153 (C.24:6I-22)  
13 and requirements that:

14 (a) Cannabis items and cannabis paraphernalia are not  
15 packaged, branded, or marketed using any statement, illustration, or  
16 image that:

17 (i) Includes false, deceptive, or misleading statements;

18 (ii) Promotes over-consumption;

19 (iii) Depicts a child or other person under legal age consuming  
20 cannabis items; or

21 (iv) Includes objects, such as toys, characters, or cartoon  
22 characters suggesting the presence of a person under the legal age to  
23 purchase cannabis items, or any other depiction designed in any  
24 manner to be especially appealing to persons under the legal age to  
25 purchase cannabis items;

26 (b) Ensure cannabis items are packaged in opaque, child-  
27 resistant special packaging, or if applicable to a particular cannabis  
28 item, child resistant special packaging for liquid nicotine  
29 containers, in accordance with the "Poison Prevention Packaging  
30 Act of 1970," 15 U.S.C. s.1471 et seq., and the associated  
31 regulations promulgated thereunder, except that these child-  
32 resistant packaging requirements shall not apply to any cannabis  
33 item obtained from a cannabis retailer or alternative treatment  
34 center for immediate, on-premises consumption at that retailer's or  
35 center's cannabis consumption area as permitted pursuant to section  
36 28 of P.L.2019, c.153 (C.24:6I-21);

37 (c) Cannabis items warning labels adequately inform consumers  
38 about safe cannabis use and warn of the consequences of misuse or  
39 overuse;

40 (d) Labeling rules that mandate clear identification of health and  
41 safety information, including, but not limited to:

42 (i) Net weight;

43 (ii) Production date and expiration date;

44 (iii) For a cannabis product, cannabis extract, or other cannabis  
45 resin, an ingredient list that includes, but is not limited to, all  
46 ingredients used to manufacture the cannabis product, any other  
47 inactive or excipient ingredients besides cannabis, and a list of all  
48 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 the cannabis was grown using  
6 all-organic materials, and a complete list of any nonorganic  
7 pesticides, fungicides and herbicides used during the cultivation of  
8 the cannabis;
- 9 (vii) For a cannabis product, serving size, the total number of  
10 servings, and a statement regarding the percentage of THC  
11 contained in the cannabis product and in each serving. For example:  
12 "The serving size of active THC in this product is X mg. This  
13 product contains X servings of cannabis, and the total amount of  
14 active THC in this product is X mg.";
- 15 (viii) Warning labels that include the nationwide toll-free  
16 telephone number used to access poison control centers that is  
17 maintained in accordance with 42 U.S.C. s.300d-71, as well as  
18 include, but are not limited to, one or more of the following  
19 statements, if applicable to a particular cannabis item:
- 20 -- "This product contains cannabis";
- 21 -- "This product is infused with cannabis";
- 22 -- "This product is intended for use by adults 21 years of age or  
23 older. Keep out of the reach of children";
- 24 -- "The intoxicating effects of this product may be delayed by  
25 two or more hours";
- 26 -- "There may be health risks associated with the consumption of  
27 this product, including for women who are pregnant, breastfeeding,  
28 or planning on becoming pregnant";
- 29 -- "Do not drive a motor vehicle or operate heavy machinery  
30 while using this product ";
- 31 (e) Labeling rules that mandate the source of a cannabis item,  
32 including, but not limited to, the license number of the cannabis  
33 cultivator where the usable cannabis used for the cannabis item was  
34 grown, the license number of the cannabis manufacturer that  
35 manufactured the cannabis item, and the license number of the  
36 cannabis retailer that sold the cannabis item and the production  
37 batch and lot number of the cannabis item;
- 38 (8) Health and safety regulations and standards for the  
39 cultivation of cannabis, and the manufacture and sale of cannabis  
40 items, including, but not limited to, requirements that:
- 41 (a) Establish accreditation and licensure criteria for cannabis  
42 testing facilities, which shall include, as a condition for licensure,  
43 the maintenance of a labor peace agreement and entrance into, or  
44 good faith effort to enter into, a collective bargaining agreement in  
45 accordance with subsection c. of section 19 of P.L.2021, c.16  
46 (C.24:6I-36). The commission shall also incorporate the licensing  
47 measures established by the Office of Minority, Disabled Veterans,

1 and Women Cannabis Business Development, and the assessment of  
2 their effectiveness, pursuant to subparagraph (b) of paragraph (1) of  
3 subsection c. of section 32 of P.L.2019, c.153 (C.24:6I-25), and  
4 apply them to the licensing of cannabis testing facilities in order to  
5 promote the licensing of persons from socially and economically  
6 disadvantaged communities, and minority businesses and women's  
7 businesses, as these terms are defined in section 2 of P.L.1986,  
8 c.195 (C.52:27H-21.18), and disabled veterans' businesses as  
9 defined in section 2 of P.L.2015, c.116 (C.52:32-31.2). The license  
10 shall permit a cannabis testing facility to test cannabis items in  
11 accordance with the provisions set forth in P.L.2021, c.16 (C.24:6I-  
12 31 et al.), as well as test medical cannabis and medical cannabis  
13 products in accordance with the provisions of the "Jake Honig  
14 Compassionate Use Medical Cannabis Act," P.L.2009, c.307  
15 (C.24:6I-1 et al.);

16 (b) The commission issue licenses for a sufficient number of  
17 cannabis testing facilities, if those facilities:

18 (i) Meet the requirements for licensure, in order to ensure that  
19 the testing of representative samples of cannabis items in  
20 accordance with the procedures set forth in paragraph (13) of this  
21 subsection can be completed in not more than 14 days following  
22 their submission to any facility. Other factors that may be  
23 considered by the commission in determining whether a sufficient  
24 number of cannabis testing facilities are currently licensed include  
25 the current licensees' experience or expertise in testing highly  
26 regulated products, demonstrated testing efficiency and  
27 effectiveness, existing research partnerships or capability to form  
28 and maintain research partnerships focusing on cannabis or  
29 cannabis items, and any other factors established in regulation by  
30 the commission; and

31 (ii) Permit the commission to inspect any licensed cannabis  
32 testing facility to determine the condition and calibration of any  
33 equipment used for testing, and to ensure that a facility's testing  
34 procedures are performed in accordance with the commission's  
35 accreditation requirements for licensure;

36 (c) Every licensed cannabis cultivator and cannabis  
37 manufacturer shall permit representatives of cannabis testing  
38 facilities to make scheduled and unscheduled visits to their  
39 premises in order to obtain random samples of cannabis items, in a  
40 quantity established by the commission, to be transported to  
41 cannabis testing facilities for inspection and testing to certify  
42 compliance with health, safety, and potency standards adopted by  
43 the commission;

44 (d) Prescribe methods of producing cannabis, and manufacturing  
45 and packaging cannabis items; conditions of sanitation; safe  
46 handling requirements; approved pesticides and pesticide testing  
47 requirements, to the extent not inconsistent with approved

1 pesticides and requirements otherwise established under federal and  
2 State law; and standards of ingredients, quality, and identity of  
3 cannabis items manufactured, packaged, or sold by cannabis  
4 establishments;

5 (e) Establish accreditation criteria for responsible cannabis  
6 server and seller training and certification programs for cannabis  
7 retailer employees;

8 (f) Provide that no licensed cannabis establishment, distributor,  
9 or delivery service, or employee of a cannabis establishment,  
10 distributor, or delivery service, shall consume, or allow to be  
11 consumed, any cannabis items on the establishment's, distributor's,  
12 or delivery service's premises, except as permitted in a cannabis  
13 consumption area or premises' private area for employees as set  
14 forth in section 28 of P.L.2019, c.153 (C.24:6I-21);

15 (g) (i) Set appropriate dosage, potency, and serving size limits  
16 for cannabis items, provided that a standardized serving of a  
17 cannabis product shall be no more than 10 milligrams of active  
18 THC and no individual edible cannabis product for sale shall  
19 contain more than 100 milligrams of active THC;

20 (ii) Require that each single standardized serving of a cannabis  
21 product in a multiple-serving edible product is physically demarked  
22 in a way that enables a reasonable person to determine how much of  
23 the product constitutes a single serving of active THC, and that each  
24 standardized serving of the cannabis product shall be easily  
25 separable to allow an average person 21 years of age or older to  
26 physically separate, with minimal effort, individual servings of the  
27 product;

28 (iii) Require that, if it is impracticable to clearly demark every  
29 standardized serving of cannabis product or to make each  
30 standardized serving easily separable in an edible cannabis product,  
31 the product shall contain no more than 10 milligrams of active THC  
32 per unit of sale;

33 (h) Establish a universal symbol to indicate that a cannabis item  
34 contains cannabis, which shall be marked, stamped, or imprinted  
35 directly on an edible retail cannabis product, or on each single  
36 standardized serving in a multiple-serving edible cannabis product,  
37 unless the item is a loose bulk good such as granola or cereal, a  
38 powder, a liquid-infused item, or another form too impractical to be  
39 marked, stamped, or imprinted;

40 (i) Prohibit the use of a commercially manufactured or  
41 trademarked food product as an edible retail cannabis product,  
42 provided that a commercially manufactured or trademarked food  
43 product may be used as a component of an edible retail cannabis  
44 product or part of a product's recipe so long as the commercially  
45 manufactured or trademarked food product is used in a way that  
46 renders it unrecognizable in the final edible cannabis product and  
47 the product is not advertised as containing the commercially  
48 manufactured or trademarked food product;

- 1 (j) Establish screening, hiring, training, and supervising  
2 requirements for cannabis retailer employees and others who  
3 manufacture or handle cannabis items;
- 4 (k) Promote general sanitary requirements for the handling,  
5 storage, and disposal of cannabis items, and the maintenance of  
6 cannabis establishments, and cannabis distribution and cannabis  
7 delivery service premises;
- 8 (l) Provide for rigorous auditing, inspection, and monitoring of  
9 cannabis establishments, distributors, and delivery services for  
10 compliance with health and safety rules and regulations;
- 11 (m) Require the implementation of security requirements for  
12 cannabis retailers and premises where cannabis items are  
13 manufactured, and safety protocols for cannabis establishments,  
14 distributors, and delivery services, and their employees;
- 15 (n) Prescribe reasonable restrictions on the manner, methods,  
16 and means by which cannabis cultivators and cannabis distributors  
17 shall transport cannabis within the State, and all licensees shall  
18 transport cannabis items within the State; **[and]**
- 19 (o) Establish procedures for identification, seizure, confiscation,  
20 destruction, or donation to law enforcement for training purposes of  
21 cannabis or cannabis items produced, manufactured, sold, or offered  
22 for sale within this State which do not conform in all respects to the  
23 standards prescribed by P.L.2021, c.16 (C.24:6I-31 et al.); and
- 24 (p) Prohibit a cannabis establishment from selling:  
25 (i) cannabis flower with a total THC concentration greater than  
26 30 percent; or  
27 (ii) a solid and liquid cannabis concentrate product with a total  
28 THC concentration greater than 60 percent;
- 29 (9) Restrictions on the advertising and display of cannabis items  
30 and cannabis paraphernalia, including, but not limited to,  
31 requirements that:
- 32 (a) Restrict advertising of cannabis items and cannabis  
33 paraphernalia in ways that target or are designed to appeal to  
34 individuals under the legal age to purchase cannabis items,  
35 including, but not limited to depictions of a person under 21 years  
36 of age consuming cannabis items, or, includes objects, such as toys,  
37 characters, or cartoon characters suggesting the presence of a  
38 person under 21 years of age, or any other depiction designed in any  
39 manner to be especially appealing to a person under 21 years of  
40 age;
- 41 (b) Prohibit advertising of any cannabis items or cannabis  
42 paraphernalia on television, or on radio between the hours of 6:00  
43 a.m. and 10:00 p.m.;
- 44 (c) Prohibit engaging in advertising unless the advertiser has  
45 reliable evidence that at least 71.6 percent of the audience for the  
46 advertisement is reasonably expected to be 21 years of age or older;
- 47 (d) Prohibit engaging in advertising or marketing directed



1 towards location-based devices, including but not limited to cellular  
2 phones, unless the marketing is a mobile device application  
3 installed on the device by the owner of the device who is 21 years  
4 of age or older and includes a permanent and easy opt-out feature  
5 and warnings that the use of cannabis items is restricted to persons  
6 21 years of age or older;

7 (e) Prohibit the sponsoring of a charitable, sports, musical,  
8 artistic, cultural, social, or other similar event or advertising at or in  
9 connection with such an event unless the sponsor or advertiser has  
10 reliable evidence that no more than 20 percent of the audience at the  
11 event is reasonably expected to be under the legal age to purchase  
12 cannabis items;

13 (f) Require all advertisements to contain the following warning:  
14 "This product contains cannabis. For use only by adults 21 years of  
15 age or older. Keep out of the reach of children.";

16 (g) Prohibit the advertising of cannabis items or cannabis  
17 paraphernalia in any form or through any medium whatsoever  
18 within 200 feet of any elementary or secondary school grounds.  
19 This subparagraph shall not apply to advertisements within the  
20 premises of a cannabis retailer.

21 For the purposes of this section, a noncommercial message shall  
22 not be considered an advertisement.

23 (10) A requirement that only cannabis items and cannabis  
24 paraphernalia are available for sale at a cannabis establishment;

25 (11) Procedures for the commission to conduct announced and  
26 unannounced visits to cannabis establishments, distributors, and  
27 delivery services, to make, or cause to be made, such investigations  
28 as it shall deem proper in the administration of P.L.2021, c.16  
29 (C.24:6I-31 et al.) and any other laws which may hereafter be  
30 enacted concerning cannabis, or the production, manufacture,  
31 distribution, sale, or delivery thereof, including the inspection and  
32 search of any premises for which the license is sought or has been  
33 issued, of any building containing the same, of licensed buildings,  
34 examination of the books, records, accounts, documents and papers  
35 of the licensees or on the licensed premises;

36 (a) The commission shall be authorized and may at any time  
37 make an examination of the premises of any person or entity  
38 licensed under P.L.2021, c.16 (C.24:6I-31 et al.) for the purpose of  
39 determining compliance with P.L.2021, c.16 (C.24:6I-31 et al.) and  
40 the rules of the commission;

41 (b) The commission may require licensee compliance with  
42 P.L.2021, c.16 (C.24:6I-31 et al.), and may appoint auditors,  
43 investigators and other employees that the commission considers  
44 necessary to enforce its powers and perform its duties;

45 (c) During any inspection of a licensed premises, the  
46 commission may require proof that a person performing work at the  
47 premises is 18 years of age or older. If the person does not provide

1 the commission with acceptable proof of age upon request, the  
2 commission may require the person to immediately cease any  
3 activity and leave the premises until the commission receives  
4 acceptable proof of age; and

5 (d) The commission shall not be required to obtain a search  
6 warrant to conduct an investigation or search of licensed premises;

7 (12) Record keeping requirements, including, but not limited to,  
8 the following:

9 (a) The obligation of every cannabis cultivator to keep a  
10 complete and accurate record of all sales of cannabis flowers,  
11 cannabis leaves, and immature cannabis plants, and a complete and  
12 accurate record of the number of cannabis flowers produced, the  
13 number of ounces of cannabis leaves produced, the number of  
14 immature cannabis plants produced, and the dates of production; the  
15 obligation of every cannabis establishment to keep a complete and  
16 accurate record of all sales of cannabis items, and a complete and  
17 accurate record of the number of ounces of usable cannabis sold;  
18 the obligation of every cannabis distributor to keep a complete and  
19 accurate record of all cannabis and cannabis items transported in  
20 bulk, and the sending and receiving cannabis establishments  
21 involved in each transportation of the cannabis or cannabis items;  
22 and the obligation of every cannabis delivery service to keep a  
23 complete and accurate record of all cannabis item deliveries made  
24 to consumers based on orders fulfilled by of cannabis retailers;

25 (b) Such records shall be kept and maintained for four years,  
26 however there shall not be a requirement that the records be  
27 maintained on the premises of a licensee, and the records shall be in  
28 such form and contain such other information as the commission  
29 may require; and

30 (c) The commission may, at any time, with adequate notice,  
31 examine the books and records of any cannabis establishment,  
32 distributor, or delivery service, and may appoint auditors,  
33 investigators, and other employees that the commission considers  
34 necessary to enforce its powers and its duties;

35 (13) Procedures for inspecting samples of cannabis items,  
36 including:

37 (a) On a schedule determined by the commission, every licensed  
38 cannabis cultivator and manufacturer shall submit representative  
39 samples of cannabis items produced or manufactured by the  
40 licensee to an independent, third-party licensed testing facility  
41 meeting the accreditation requirements established by the  
42 commission, or random samples may be obtained by representatives  
43 of the facility making a scheduled or unscheduled visit to the  
44 licensee's premises, for inspection and testing to certify compliance  
45 with standards adopted by the commission. Any sample remaining  
46 after testing shall be destroyed by the facility or returned to the  
47 licensee, unless that sample does not meet the applicable standards

1 adopted by the commission, in which case it may be retained for  
2 purposes of retesting upon request of a licensee in accordance with  
3 subparagraph (c) of this paragraph;

4 (b) Licensees shall submit the results of this cannabis item  
5 inspection and testing to the commission on a form developed by  
6 the commission; and

7 (c) If a sample inspected and tested under this section does not  
8 meet the applicable standards adopted by the commission, the  
9 sample may, upon notice to the commission, be retested at the  
10 request of a licensee in a manner prescribed by the commission, and  
11 in addition to a retest, or as an alternative thereto, the licensee may  
12 also be permitted an opportunity to remediate, upon notice to the  
13 commission, the batch or lot from which the failed sample was  
14 taken, which batch or lot shall be subject to a subsequent test of a  
15 new representative sample in a manner prescribed by the  
16 commission. Any request for a retest of a sample, and any retest  
17 and reporting of results, as well as any batch or lot remediation  
18 process undertaken and subsequent testing of that batch or lot, shall  
19 be completed within a time period established by the commission.  
20 The commission shall also provide a process by which samples,  
21 batches, and lots that failed retesting or remediation, as applicable,  
22 shall be destroyed;

23 (14) Establishing the number of cannabis retailers, and  
24 permissible business arrangements with respect to other types of  
25 retailing businesses:

26 (a) (i) Assuming there are sufficient qualified applicants for  
27 licensure, the commission shall, subject to periodic evaluation as  
28 described in paragraph (1) of this subsection, issue a sufficient  
29 number of Class 5 Retailer licenses to meet the market demands of  
30 the State, giving regard to geographical and population distribution  
31 throughout the State; and

32 (ii) the provision of adequate access to licensed sources of  
33 cannabis items to discourage purchases from the illegal market; and

34 (b) A cannabis retailer's premises shall not be located in or upon  
35 any premises in which operates a grocery store, delicatessen, indoor  
36 food market, or other store engaging in retail sales of food, or in or  
37 upon any premises in which operates a store that engages in  
38 licensed retail sales of alcoholic beverages, as defined by subsection  
39 b. of R.S.33:1-1; and

40 (15) Civil penalties for the failure to comply with regulations  
41 adopted pursuant to this section.

42 b. In order to ensure that individual privacy is protected, the  
43 commission shall not require a consumer to provide a cannabis  
44 retailer with personal information other than government-issued  
45 identification as set forth in subparagraph (a) of paragraph (6) of  
46 subsection a. of this section in order to determine the consumer's  
47 identity and age, and a cannabis retailer shall not collect and retain

1 any personal information about consumers other than information  
2 typically acquired in a financial transaction conducted by the holder  
3 of a Class C retail license concerning alcoholic beverages as set  
4 forth in R.S.33:1-12.

5 c. Once regulations are adopted by the commission pursuant to  
6 subsection a. of this section, but prior to the commencement of the  
7 application process, the commission shall conduct a series of  
8 information sessions in every county in New Jersey to educate  
9 residents of New Jersey about the responsibilities, opportunities,  
10 requirements, obligations, and processes for application for a  
11 license to operate a cannabis establishment, distributor, or delivery  
12 service. The commission shall conduct an appropriate number of  
13 information sessions in each county considering the population of  
14 each county, but no fewer than one information session in each  
15 county. The commission shall publicize the day, time, location, and  
16 agenda of each information session broadly through television,  
17 radio, Internet, print, and local agencies.

18 d. The commission shall:

19 (1) Examine available research, and may conduct or commission  
20 new research or convene an expert task force, to investigate the  
21 influence of cannabis and marijuana on the ability of a person to  
22 drive a vehicle, on methods for determining whether a person is  
23 under the influence of cannabis or marijuana, and on the  
24 concentration of active THC, as defined in section 3 of P.L.2021,  
25 c.16 (C.24:6I-33), in a person's blood, in each case taking into  
26 account all relevant factors; and

27 (2) Report the results of the research to the Governor and,  
28 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the  
29 Legislature and make recommendations regarding both  
30 administrative and legislative action as the commission deems  
31 necessary.

32 (cf: P.L.2021, c.16, s.18)

33

34 2. This act shall take effect immediately.

35

36

37

#### STATEMENT

38

39 This bill sets THC potency limits for cannabis flower and solid  
40 or liquid cannabis concentrates.

41 Under the bill, the Cannabis Regulatory Commission  
42 (“commission”) is required to adopt rules and regulations  
43 prohibiting a cannabis establishment from selling cannabis flower  
44 with a total THC concentration greater than 30 percent or a solid  
45 and liquid cannabis concentrate product with a total THC  
46 concentration greater than 60 percent.

1       N.J.S.A.24:6I-33 defines “Cannabis flower” as the flower of the  
2 plant *Cannabis sativa* L. within the plant family Cannabaceae.

3       N.J.A.C.17:30-1.2 defines “Cannabis concentrate” as a product  
4 manufactured by a cannabis manufacture, in either solid form or  
5 liquid form as oil, including extracts and resin extracted using non-  
6 chemical processes, that contains only the resin, cannabinoids,  
7 terpenes, and other substances extracted from any part of the  
8 cannabis plant.