

§8
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and Note to §1
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C.2C:35-10i
§10
C.2C:35-10e
§§11,13
C.24:6I-48.5
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Repealer
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Note

P.L. 2025, CHAPTER 215, *approved January 12, 2026*
Senate Committee Substitute (*First Reprint*)
for Senate, No. 4509

1 AN ACT concerning sale of certain cannabinoid products, amending
2 various sections of statutory law, and repealing P.L.2024, c.73.
3
4 BE IT ENACTED by the Senate and General Assembly of the State
5 of New Jersey:
6
7 1. Section 3 of P.L.2019, c.238 (C.4:28-8) is amended to read as
8 follows:
9 3. As used in sections 1 through 9 of P.L.2019, c.238 (C.4:28-6
10 et al.), unless the context otherwise requires:
11 “Agent” means an employee or contractor of a hemp producer.
12 “Applicant” means a person, or for a business entity, any person
13 authorized to act on behalf of the business entity, who applies to the
14 department to be a hemp producer in the State.
15 “Commercial sale” means the sale of a product in the stream of
16 commerce at retail, at wholesale, or on the Internet.
17 “Container” means the innermost wrapping, packaging, or vessel
18 in direct contact with a final hemp-derived cannabinoid product in
19 which the final hemp-derived cannabinoid product is enclosed for
20 retail sale to consumers, such as a jar, bottle, bag, box, packet, can,
21 carton, or cartridge. “Container” excludes bulk shipping containers

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:
¹ Senate floor amendments adopted December 18, 2025.

1 or outer wrappings that are not essential for the final retail delivery
2 or sale to an end consumer for personal or household use.

3 “Cultivate” means to plant, water, grow, or harvest a plant or
4 crop.

5 “Department” means the New Jersey Department of Agriculture.

6 “Federally defined THC level for hemp” means **【a delta-9**
7 **tetrahydrocannabinol concentration of not more than 0.3 percent on**
8 **a dry weight basis for hemp or in a hemp product】** the allowed
9 tetrahydrocannabinol concentration for hemp as established
10 pursuant to 7 U.S.C. s.1639o.

11 “Final hemp-derived cannabinoid product” means a hemp-
12 derived cannabinoid product which is in the final form or
13 preparation marketed or intended to be used or consumed by a
14 human or animal.

15 “Handle” means to possess or store a hemp plant on premises
16 owned, operated, or controlled by a hemp producer for any period
17 of time or in a vehicle for any period of time other than during the
18 actual transport of the plant between premises owned, operated, or
19 controlled by hemp producers or persons or entities authorized to
20 produce hemp pursuant to 7 U.S.C. s.1639o et seq. and any state
21 law or rule or regulation adopted pursuant thereto. “Handle” does
22 not mean possession or storage of finished **【hemp】** hemp-derived
23 cannabinoid products.

24 “Hemp” means the **【plant】** Cannabis sativa L. plant and any part
25 of that plant, including the seeds of the plant and all derivatives,
26 extracts, cannabinoids, isomers, acids, salts, and salts of isomers,
27 whether growing or not, with a total tetrahydrocannabinol
28 concentration, including tetrahydrocannabinolic acid, of not more
29 than 0.3 percent on a dry weight basis. “Hemp” includes industrial
30 hemp as such is defined pursuant to this section. 【Hemp and hemp-
31 derived cannabinoids, including cannabidiol, shall be considered an
32 agricultural commodity and not a controlled substance due to the
33 presence of hemp or hemp-derived cannabinoids.】 Hemp does not
34 include any of the following:

35 (1) any viable seeds from a Cannabis sativa L. plant that
36 exceeds a total tetrahydrocannabinol concentration, including
37 tetrahydrocannabinolic acid, of 0.3 percent in the plant on a dry
38 weight basis;

39 (2) any intermediate hemp-derived cannabinoid product
40 containing:

41 (a) cannabinoids that are not capable of being naturally
42 produced by a Cannabis sativa L. plant;

43 (b) cannabinoids that are capable of being naturally produced by
44 a Cannabis sativa L. plant but were synthesized or manufactured
45 outside the plant; or

46 (c) more than 0.3 percent combined total of total
47 tetrahydrocannabinol, including tetrahydrocannabinolic acid, with

1 any other cannabinoids that have similar effects or are marketed to
2 have similar effects on humans or animals as a
3 tetrahydrocannabinol, as determined by the United States Secretary
4 of Health and Human Services;

5 (3) any intermediate hemp-derived cannabinoid products which
6 are marketed or sold as a final product or directly to an end
7 consumer for personal or household use; or

8 (4) any final hemp-derived cannabinoid products containing:

9 (a) cannabinoids that are not capable of being naturally produced
10 by a Cannabis sativa L. plant;

11 (b) cannabinoids that are capable of being naturally produced by
12 a Cannabis sativa L. plant, but were synthesized or manufactured
13 outside the plant; or

14 (c) greater than 0.4 milligrams combined total per container of
15 total tetrahydrocannabinol, including tetrahydrocannabinolic acid,
16 with any other cannabinoids that have similar effects or are
17 marketed to have similar effects on humans or animals as a
18 tetrahydrocannabinol, as determined by the United States Secretary
19 of Health and Human Services.

20 To the extent that the Cannabis sativa L. plant and any part of
21 that plant, including the seeds of the plant and all derivatives,
22 extracts, cannabinoids, isomers, acids, salts, and salts of isomers, or
23 any product or material is excluded from this definition of hemp,
24 the excluded substance, product, or material, shall be considered
25 marijuana or cannabis, as determined by law.

26 “Hemp-derived cannabinoid product” means any intermediate or
27 final product derived from hemp, other than industrial hemp, that
28 contains cannabinoids in any form; and is intended for human or
29 animal use through any means of application or administration, such
30 as inhalation, ingestion, or topical application. “Hemp-derived
31 cannabinoid product” does not include a drug that is the subject of
32 an application approved under subsection c. or j. of section 505 of
33 the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. s.355.

34 “Hemp producer” means a person or business entity authorized
35 by the department to cultivate, handle, or process hemp in the State.

36 **【**“Hemp product” means a finished product with a total
37 tetrahydrocannabinol concentration of not more than 0.3 percent,
38 and not more than 0.5 milligrams of total THC per serving and 2.5
39 milligrams of total THC per package, that is derived from or made
40 by processing a hemp plant or plant part and prepared in a form
41 available for commercial sale. The term includes cosmetics,
42 personal care products, food intended for human or animal
43 consumption, cloth, cordage, fiber, fuel, paint, paper, particleboard,
44 plastics, and any product containing one or more hemp-derived
45 cannabinoids such as cannabidiol. Hemp products shall not be
46 considered controlled substances due to the presence of hemp or
47 hemp-derived cannabinoids. “Hemp product” shall not mean: a
48 cannabinoid product that is not derived from naturally occurring

1 biologically active chemical constituents and shall not mean an
2 intoxicating hemp product as defined in section 3 of P.L.2021, c.16
3 (C.24:6I-33).】

4 “Industrial hemp” means hemp that is: grown for the use of the
5 stalk of the plant, fiber produced from such a stalk, or any other
6 non-cannabinoid derivative, mixture, preparation, or manufacture of
7 such a stalk; grown for the use of the whole grain, oil, cake, nut,
8 hull, or any other non-cannabinoid compound, derivative, mixture,
9 preparation, or manufacture of the seeds of such plant; grown for
10 purposes of producing microgreens or other edible hemp leaf
11 products intended for human consumption that are derived from an
12 immature hemp plant that is grown from seeds that do not exceed
13 the federally defined THC level for hemp; a plant that does not
14 enter the stream of commerce and is intended to support hemp
15 research at an institution of higher education as defined in section
16 101 of the Higher Education Act of 1965, 20 U.S.C. s.1001, or an
17 independent research institute; or grown for the use of a viable seed
18 of the plant produced solely for the production or manufacture of
19 any material described herein.

20 “Intermediate hemp-derived cannabinoid product” means a
21 hemp-derived cannabinoid product which is not yet in the final form
22 or preparation marketed or intended to be used or consumed by a
23 human or animal; or is a powder, liquid, tablet, oil, or other product
24 form which is intended or marketed to be mixed, dissolved,
25 formulated, or otherwise added to or prepared with or into any other
26 substance prior to administration or consumption.

27 “Process” means to convert hemp into a marketable form.

28 “Secretary” means the Secretary of the New Jersey Department
29 of Agriculture.

30 “Transport” means the movement or shipment of hemp by a
31 hemp producer, a person or entity authorized to produce hemp
32 pursuant to 7 U.S.C. s.1639o et seq. and any state law or rule or
33 regulation adopted pursuant thereto, or a hemp producer’s or
34 authorized entity’s third-party carrier or agent. “Transport” shall
35 not mean the movement or shipment of **【hemp】** hemp-derived
36 cannabinoid products.

37 **【“Total THC”** means the total concentration of all
38 tetrahydrocannabinols in hemp or a hemp product, including delta-
39 8, delta-9, delta-10, tetrahydrocannabinolic acid and any other
40 chemically similar compound, substance, derivative, or isomer of
41 tetrahydrocannabinol, regardless of how derived or manufactured,
42 and any other cannabinoid, other than cannabidiol, identified by the
43 Cannabis Regulatory Commission, in consultation with the
44 Department of Agriculture and the Attorney General, as causing
45 intoxication.】

46 (cf: P.L.2024, c.73, s.1)

1 2. Section 3 of P.L.2021, c.16 (C.24:6I-33) is amended to read
2 as follows:

3 3. Definitions.

4 As used in P.L.2021, c.16 (C.24:6I-31 et al.) regarding the
5 personal use of cannabis, unless the context otherwise requires:

6 "Alternative treatment center" means an organization issued a
7 permit pursuant to the "Jake Honig Compassionate Use Medical
8 Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) to operate as a
9 medical cannabis cultivator, medical cannabis manufacturer,
10 medical cannabis dispensary, or clinical registrant, as well as any
11 alternative treatment center deemed pursuant to section 7 of that act
12 (C.24:6I-7) to concurrently hold a medical cannabis cultivator
13 permit, a medical cannabis manufacturer permit, and a medical
14 cannabis dispensary permit.

15 "Cannabis" means all parts of the plant *Cannabis sativa* L.,
16 whether growing or not, the seeds thereof, and every compound,
17 manufacture, salt, derivative, mixture, or preparation of the plant or
18 its seeds, except those containing resin extracted from the plant,
19 which are cultivated and, when applicable, manufactured in
20 accordance with P.L.2021, c.16 (C.24:6I-31 et al.) for use in
21 cannabis products as set forth in this act, but shall not include the
22 weight of any other ingredient combined with cannabis to prepare
23 topical or oral administrations, food, drink, or other product.
24 "Cannabis" does not include: medical cannabis dispensed to
25 registered qualifying patients pursuant to the "Jake Honig
26 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
27 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.);
28 marijuana as defined in N.J.S.2C:35-2 and applied to any offense
29 set forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey
30 Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or marihuana as
31 defined in section 2 of P.L.1970, c.226 (C.24:21-2) and applied to
32 any offense set forth in the "New Jersey Controlled Dangerous
33 Substances Act," P.L.1970, c.226 (C.24:21-1 et al.); or hemp or a
34 **hemp** hemp-derived cannabinoid product cultivated, handled,
35 processed, transported, or sold pursuant to the "New Jersey Hemp
36 Farming Act," P.L.2019, c.238 (C.4:28-6 et al.).

37 "Cannabis consumption area" means, as further described in
38 section 28 of P.L.2019, c.153 (C.24:6I-21), a designated location
39 operated by a licensed cannabis retailer or permit holder for
40 dispensing medical cannabis, for which both a State and local
41 endorsement has been obtained, that is either: (1) an indoor,
42 structurally enclosed area of the cannabis retailer or permit holder
43 that is separate from the area in which retail sales of cannabis items
44 or the dispensing of medical cannabis occurs; or (2) an exterior
45 structure on the same premises as the cannabis retailer or permit
46 holder, either separate from or connected to the cannabis retailer or
47 permit holder, at which cannabis items or medical cannabis either

1 obtained from the retailer or permit holder, or brought by a person
2 to the consumption area, may be consumed.

3 "Cannabis cultivator" means any licensed person or entity that
4 grows, cultivates, or produces cannabis in this State, and sells, and
5 may transport, this cannabis to other cannabis cultivators, or usable
6 cannabis to cannabis manufacturers, cannabis wholesalers, or
7 cannabis retailers, but not to consumers. This person or entity shall
8 hold a Class 1 Cannabis Cultivator license.

9 "Cannabis delivery service" means any licensed person or entity
10 that provides courier services for consumer purchases of cannabis
11 items and related supplies fulfilled by a cannabis retailer in order to
12 make deliveries of the cannabis items and related supplies to that
13 consumer, and which services include the ability of a consumer to
14 purchase the cannabis items directly through the cannabis delivery
15 service, which after presenting the purchase order to the cannabis
16 retailer for fulfillment, is delivered to that consumer. This person
17 or entity shall hold a Class 6 Cannabis Delivery license.

18 "Cannabis distributor" means any licensed person or entity that
19 transports cannabis in bulk intrastate from one licensed cannabis
20 cultivator to another licensed cannabis cultivator, or transports
21 cannabis items in bulk intrastate from any one class of licensed
22 cannabis establishment to another class of licensed cannabis
23 establishment, and may engage in the temporary storage of cannabis
24 or cannabis items as necessary to carry out transportation activities.
25 This person or entity shall hold a Class 4 Cannabis Distributor
26 license.

27 "Cannabis establishment" means a cannabis cultivator, a
28 cannabis manufacturer, a cannabis wholesaler, or a cannabis
29 retailer.

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

37 "Cannabis flower" means the flower of the plant *Cannabis sativa*
38 L. within the plant family Cannabaceae.

39 "Cannabis item" means any usable cannabis, cannabis product,
40 cannabis extract **】, intoxicating hemp product】**, and any other
41 cannabis resin. "Cannabis item" does not include: any form of
42 medical cannabis dispensed to registered qualifying patients
43 pursuant to the "Jake Honig Compassionate Use Medical Cannabis
44 Act," P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158
45 (C.18A:40-12.22 et al.) or hemp or a **【hemp】** hemp-derived
46 cannabinoid product cultivated, handled, processed, transported, or
47 sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019,
48 c.238 (C.4:28-6 et al.).

1 "Cannabis leaf" means the leaf of the plant Cannabis sativa L.
2 within the plant family Cannabaceae.

3 "Cannabis manufacturer" means any licensed person or entity
4 that processes cannabis items in this State by purchasing or
5 otherwise obtaining usable cannabis, manufacturing, preparing, and
6 packaging cannabis items, and selling, and optionally transporting,
7 these items to other cannabis manufacturers, cannabis wholesalers,
8 or cannabis retailers, but not to consumers. This person or entity
9 shall hold a Class 2 Cannabis Manufacturer license."

10 "Cannabis paraphernalia" means any equipment, products, or
11 materials of any kind which are used, intended for use, or designed
12 for use in planting, propagating, cultivating, growing, harvesting,
13 composting, manufacturing, compounding, converting, producing,
14 processing, preparing, testing, analyzing, packaging, repackaging,
15 storing, vaporizing, or containing cannabis, or for ingesting,
16 inhaling, or otherwise introducing a cannabis item into the human
17 body. "Cannabis paraphernalia" does not include drug
18 paraphernalia as defined in N.J.S.2C:36-1 and which is used or
19 intended for use to commit a violation of chapter 35 or 36 of Title
20 2C of the New Jersey Statutes.

21 "Cannabis product" means a product containing usable cannabis,
22 cannabis extract, or any other cannabis resin and other ingredients
23 intended for human consumption or use, including a product
24 intended to be applied to the skin or hair, edible cannabis products,
25 ointments, and tinctures. "Cannabis product" does not include: (1)
26 usable cannabis by itself; or (2) cannabis extract by itself; or (3) any
27 other cannabis resin by itself.

28 "Cannabis resin" means the resin extracted from any part of the
29 plant Cannabis sativa L., including cannabis extract and resin
30 extracted using non-chemical processes, processed and used in
31 accordance with P.L.2021, c.16 (C.24:6I-31 et al.). "Cannabis
32 resin" does not include: any form of medical cannabis dispensed to
33 registered qualifying patients pursuant to the "Jake Honig
34 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
35 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.);
36 hashish as defined in N.J.S.2C:35-2 and applied to any offense set
37 forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey
38 Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or as defined in
39 section 2 of P.L.1970, c.226 (C.24:21-2) and applied to any offense
40 of the "New Jersey Controlled Dangerous Substances Act,"
41 P.L.1970, c.226 (C.24:21-1 et al.); or hemp or a **[hemp]** hemp-
42 derived cannabinoid product cultivated, handled, processed,
43 transported, or sold pursuant to the "New Jersey Hemp Farming
44 Act," P.L.2019, c.238 (C.4:28-6 et al.).

45 "Cannabis retailer" means any licensed person or entity that
46 purchases or otherwise obtains usable cannabis from cannabis
47 cultivators and cannabis items from cannabis manufacturers or
48 cannabis wholesalers, and sells these to consumers from a retail

1 store, and may use a cannabis delivery service or a certified
2 cannabis handler for the off-premises delivery of cannabis items
3 and related supplies to consumers. A cannabis retailer shall also
4 accept consumer purchases to be fulfilled from its retail store that
5 are presented by a cannabis delivery service which will be delivered
6 by the cannabis delivery service to that consumer. This person or
7 entity shall hold a Class 5 Cannabis Retailer license.

8 "Cannabis testing facility" means an independent, third-party
9 entity meeting accreditation requirements established by the
10 Cannabis Regulatory Commission that is licensed to analyze and
11 certify cannabis items and medical cannabis for compliance with
12 applicable health, safety, and potency standards.

13 "Cannabis wholesaler" means any licensed person or entity that
14 purchases or otherwise obtains, stores, sells or otherwise transfers,
15 and may transport, cannabis items for the purpose of resale or other
16 transfer to either another cannabis wholesaler or to a cannabis
17 retailer, but not to consumers. This person or entity shall hold a
18 Class 3 Cannabis Wholesaler license.

19 "Commission" means the Cannabis Regulatory Commission
20 established pursuant to section 31 of P.L.2019, c.153 (C.24:6I-24).

21 "Conditional license" means a temporary license designated as
22 either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis
23 Manufacturer license, a Class 3 Cannabis Wholesaler license, a
24 Class 4 Cannabis Distributor license, a Class 5 Cannabis Retailer
25 license, or a Class 6 Cannabis Delivery license that allows the
26 holder to lawfully act as a cannabis cultivator, cannabis
27 manufacturer, cannabis wholesaler, cannabis distributor, cannabis
28 retailer, or cannabis delivery service as the case may be, which is
29 issued pursuant to an abbreviated application process, after which
30 the conditional license holder shall have a limited period of time in
31 which to become fully licensed by satisfying all of the remaining
32 conditions for licensure which were not required for the issuance of
33 the conditional license.

34 "Consumer" means a person 21 years of age or older who
35 purchases, directly or through a cannabis delivery service, acquires,
36 owns, holds, or uses cannabis items for personal use by a person 21
37 years of age or older, but not for resale to others.

38 "Consumption" means the act of ingesting, inhaling, or otherwise
39 introducing cannabis items into the human body.

40 "Delivery" means the transportation of cannabis items and
41 related supplies to a consumer. "Delivery" also includes the use by
42 a licensed cannabis retailer of any third party technology platform
43 to receive, process, and fulfill orders by consumers, which third
44 party shall not be required to be a licensed cannabis establishment,
45 distributor, or delivery service, provided that any physical acts in
46 connection with fulfilling the order and delivery shall be
47 accomplished by a certified cannabis handler performing work for
48 or on behalf of the licensed cannabis retailer, which includes a

1 certified cannabis handler employed or otherwise working on behalf
2 of a cannabis delivery service making off-premises deliveries of
3 consumer purchases fulfilled by that cannabis retailer.

4 "Department" means the Department of Health.

5 "Director" means the Director of the Office of Minority,
6 Disabled Veterans, and Women Cannabis Business Development in
7 the Cannabis Regulatory Commission.

8 "Executive director" means the executive director of the
9 Cannabis Regulatory Commission.

10 "Financial consideration" means value that is given or received
11 either directly or indirectly through sales, barter, trade, fees,
12 charges, dues, contributions, or donations.

13 "Immature cannabis plant" means a cannabis plant that is not
14 flowering.

15 "Impact zone" means any municipality, based on past criminal
16 marijuana enterprises contributing to higher concentrations of law
17 enforcement activity, unemployment, and poverty, or any
18 combination thereof, within parts of or throughout the municipality,
19 that:

20 (1) has a population of 120,000 or more according to the most
21 recently compiled federal decennial census as of the effective date
22 of P.L.2021, c.16 (C.24:6I-31 et al.);

23 (2) based upon data for calendar year 2019, ranks in the top 40
24 percent of municipalities in the State for marijuana- or hashish-
25 related arrests for violation of paragraph (4) of subsection a. of
26 N.J.S.2C:35-10; has a crime index total of 825 or higher based upon
27 the indexes listed in the annual Uniform Crime Report by the
28 Division of State Police; and has a local average annual
29 unemployment rate that ranks in the top 15 percent of all
30 municipalities, based upon average annual unemployment rates
31 estimated for the relevant calendar year by the Office of Research
32 and Information in the Department of Labor and Workforce
33 Development;

34 (3) is a municipality located in a county of the third class, based
35 upon the county's population according to the most recently
36 compiled federal decennial census as of the effective date of
37 P.L.2021, c.16 (C.24:6I-31 et al.), that meets all of the criteria set
38 forth in paragraph (2) other than having a crime index total of 825
39 or higher; or

40 (4) is a municipality located in a county of the second class,
41 based upon the county's population according to the most recently
42 compiled federal decennial census as of the effective date of
43 P.L.2021, c.16 (C.24:6I-31 et al.):

44 (a) with a population of less than 60,000 according to the most
45 recently compiled federal decennial census, that for calendar year
46 2019 ranks in the top 40 percent of municipalities in the State for
47 marijuana- or hashish-related arrests for violation of paragraph (4)
48 of subsection a. of N.J.S.2C:35-10; has a crime index total of 1,000

1 or higher based upon the indexes listed in the 2019 annual Uniform
2 Crime Report by the Division of State Police; but for calendar year
3 2019 does not have a local average annual unemployment rate that
4 ranks in the top 15 percent of all municipalities, based upon average
5 annual unemployment rates estimated for the relevant calendar year
6 by the Office of Research and Information in the Department of
7 Labor and Workforce Development; or

8 (b) with a population of not less than 60,000 or more than
9 80,000 according to the most recently compiled federal decennial
10 census; has a crime index total of 650 or higher based upon the
11 indexes listed in the 2019 annual Uniform Crime Report; and for
12 calendar year 2019 has a local average annual unemployment rate
13 of 3.0 percent or higher using the same estimated annual
14 unemployment rates.

15 **["Intoxicating hemp product" means any product cultivated,**
16 **derived, or manufactured in this State from hemp regulated pursuant**
17 **to the "Agricultural Improvement Act of 2018," Pub.L.115-334 or**
18 **the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et**
19 **al.) that is sold in this State that has a concentration of total THC**
20 **greater than 0.5 milligrams per serving or 2.5 milligrams per**
21 **package. "Intoxicating hemp product" shall not include a**
22 **cannabinoid product that is not derived from naturally occurring**
23 **biologically active chemical constituents and shall not include hemp**
24 **products as defined in section 3 of P.L.2019, c.238 (C.4:28-8).]**

25 "Intoxicating hemp beverage" means a beverage which is
26 cultivated, derived, or manufactured prior to the effective date of
27 section 781 of Pub.L.119-37 from hemp regulated pursuant to the
28 "Agricultural Improvement Act of 2018," Pub.L.115-334 or the
29 "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.)
30 that conforms to the allowed tetrahydrocannabinol concentration for
31 hemp as established pursuant to the provisions of 7 U.S.C. s.1639o
32 in effect prior to the effective date of section 781 of Pub.L.119-37.

33 "License" means a license issued under P.L.2021, c.16 (C.24:6I-
34 31 et al.), including a license that is designated as either a Class 1
35 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer
36 license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis
37 Distributor license, a Class 5 Cannabis Retailer license, or a Class 6
38 Cannabis Delivery license. The term includes a conditional license
39 for a designated class, except when the context of the provisions of
40 P.L.2021, c.16 (C.24:6I-31 et al.) otherwise intend to only apply to
41 a license and not a conditional license.

42 "Licensee" means a person or entity that holds a license issued
43 under P.L.2021, c.16 (C.24:6I-31 et al.), including a license that is
44 designated as either a Class 1 Cannabis Cultivator license, a Class 2
45 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler
46 license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis
47 Retailer license, or a Class 6 Cannabis Delivery license, and
48 includes a person or entity that holds a conditional license for a

1 designated class, except when the context of the provisions of
2 P.L.2021, c.16 (C.24:6I-31 et al.) otherwise intend to only apply to
3 a person or entity that holds a license and not a conditional license.

4 "Licensee representative" means an owner, director, officer,
5 manager, employee, agent, or other representative of a licensee, to
6 the extent that the person acts in a representative capacity.

7 "Manufacture" means the drying, processing, compounding, or
8 conversion of usable cannabis into cannabis products or cannabis
9 resins. "Manufacture" does not include packaging or labeling.

10 "Mature cannabis plant" means a cannabis plant that is not an
11 immature cannabis plant.

12 "Medical cannabis" means cannabis dispensed to registered
13 qualifying patients pursuant to the "Jake Honig Compassionate Use
14 Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and
15 P.L.2015, c.158 (C.18A:40-12.22 et al.). "Medical cannabis" does
16 not include any cannabis or cannabis item which is cultivated,
17 produced, processed, and consumed in accordance with P.L.2021,
18 c.16 (C.24:6I-31 et al.).

19 "Microbusiness" means a person or entity licensed under
20 P.L.2021, c.16 (C.24:6I-31 et al.) as a cannabis cultivator, cannabis
21 manufacturer, cannabis wholesaler, cannabis distributor, cannabis
22 retailer, or cannabis delivery service that may only, with respect to
23 its business operations, and capacity and quantity of product: (1)
24 employ no more than 10 employees; (2) operate a cannabis
25 establishment occupying an area of no more than 2,500 square feet,
26 and in the case of a cannabis cultivator, grow cannabis on an area
27 no more than 2,500 square feet measured on a horizontal plane and
28 grow above that plane not higher than 24 feet; (3) possess no more
29 than 1,000 cannabis plants each month, except that a cannabis
30 distributor's possession of cannabis plants for transportation shall
31 not be subject to this limit; (4) acquire each month, in the case of a
32 cannabis manufacturer, no more than 1,000 pounds of usable
33 cannabis; (5) acquire for resale each month, in the case of a
34 cannabis wholesaler, no more than 1,000 pounds of usable cannabis,
35 or the equivalent amount in any form of manufactured cannabis
36 product or cannabis resin, or any combination thereof; and (6)
37 acquire for retail sale each month, in the case of a cannabis retailer,
38 no more than 1,000 pounds of usable cannabis, or the equivalent
39 amount in any form of manufactured cannabis product or cannabis
40 resin, or any combination thereof.

41 "Noncommercial" means not dependent or conditioned upon the
42 provision or receipt of financial consideration.

43 "Premises" or "licensed premises" includes the following areas
44 of a location licensed under P.L.2021, c.16 (C.24:6I-31 et al.): all
45 public and private enclosed areas at the location that are used in the
46 business operated at the location, including offices, kitchens, rest
47 rooms, and storerooms; all areas outside a building that the
48 Cannabis Regulatory Commission has specifically licensed for the

1 production, manufacturing, wholesaling, distributing, retail sale, or
2 delivery of cannabis items; and, for a location that the commission
3 has specifically licensed for the production of cannabis outside a
4 building, the entire lot or parcel that the licensee owns, leases, or
5 has a right to occupy.

6 "Produce" means the planting, cultivation, growing or harvesting
7 of cannabis. "Produce" does not include the drying of cannabis by a
8 cannabis manufacturer, if the cannabis manufacturer is not
9 otherwise manufacturing cannabis.

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

18 "Radio" means a system for transmitting sound without visual
19 images, and includes broadcast, cable, on-demand, satellite, or
20 Internet programming. "Radio" includes any audio programming
21 downloaded or streamed via the Internet.

22 "Significantly involved person" means a person or entity who
23 holds at least a five percent investment interest in a proposed or
24 licensed cannabis cultivator, cannabis manufacturer, cannabis
25 wholesaler, cannabis distributor, cannabis retailer, or cannabis
26 delivery service, or who is a decision making member of a group
27 that holds at least a 20 percent investment interest in a proposed or
28 licensed cannabis cultivator, cannabis manufacturer, cannabis
29 wholesaler, cannabis distributor, cannabis retailer, or cannabis
30 delivery service, in which no member of that group holds more than
31 a five percent interest in the total group investment interest, and the
32 person or entity makes controlling decisions regarding the proposed
33 or licensed cannabis cultivator, cannabis manufacturer, cannabis
34 wholesaler, cannabis distributor, cannabis retailer, or cannabis
35 delivery service operations.

36 "Television" means a system for transmitting visual images and
37 sound that are reproduced on screens, and includes broadcast, cable,
38 on-demand, satellite, or Internet programming. "Television"
39 includes any video programming downloaded or streamed via the
40 Internet.

41 "THC" means **【delta-9-tetrahydrocannabinol and its precursor,**
42 **tetrahydrocannabinolic acid,】** the **【main】** psychoactive chemicals
43 contained in the cannabis plant, including, but not limited to, delta-
44 8, delta-9, delta-10, tetrahydrocannabinolic acid and any other
45 chemically similar compound, substance, derivative, or isomer of
46 tetrahydrocannabinol regardless of how derived or manufactured,
47 and any other cannabinoid, other than cannabidiol, identified by the
48 Cannabis Regulatory Commission, in consultation with the

1 Department of Agriculture and the Attorney General, as causing
2 intoxication.

3 **["Total THC"** means the total concentration of all
4 tetrahydrocannabinols in hemp or a hemp product, including delta-
5 8, delta-9, delta-10, tetrahydrocannabinolic acid and any other
6 chemically similar compound, substance, derivative, or isomer of
7 tetrahydrocannabinol, regardless of how derived or manufactured,
8 and any other cannabinoid, other than cannabidiol, identified by the
9 Cannabis Regulatory Commission, in consultation with the
10 Department of Agriculture and the Attorney General, as causing
11 intoxication. **"]**

12 "Usable cannabis" means the dried leaves and flowers of the
13 female plant *Cannabis sativa* L., and does not include the seedlings,
14 seeds, stems, stalks, or roots of the plant.
15 (cf: P.L.2024, c.73, s.2)

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

19 18. Regulation of Cannabis.

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

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

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

41 (3) Incorporation of the licensing goals for applicants for
42 licensure who are New Jersey residents established in P.L.2021,
43 c.16 (C.24:6I-31 et al.). The commission shall make good faith
44 efforts to meet these goals. Qualifications for licensure shall be
45 directly and demonstrably related to the operation of a cannabis
46 establishment, distributor, or delivery service, provided that the
47 commission shall make licenses available to as diverse a group as

1 reasonably practicable, however no license of any kind shall be
2 issued to a person under the legal age to purchase cannabis items;

3 (4) (a) Incorporation of the licensing measures established by the
4 Office of Minority, Disabled Veterans, and Women Cannabis
5 Business Development pursuant to subparagraph (b) of paragraph
6 (1) of subsection c. of section 32 of P.L.2019, c.153 (C.24:6I-25) to
7 promote the licensing of persons from socially and economically
8 disadvantaged communities, and minority businesses and women's
9 businesses, as these terms are defined in section 2 of P.L.1986,
10 c.195 (C.52:27H-21.18), and disabled veterans' businesses as
11 defined in section 2 of P.L.2015, c.116 (C.52:32-31.2). The
12 commission shall coordinate with the office with respect to the
13 incorporation of these licensing measures;

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

25 (5) Security requirements for cannabis establishments and
26 transportation of cannabis and cannabis items;

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

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

34 (i) The person's United States passport, or other country's
35 passport or proper government-issued documentation for
36 international travel if a citizen or other lawfully recognized resident
37 of that country, who is lawfully permitted to possess and use that
38 country's passport or government-issued documentation for
39 purposes of identification in the United States;

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

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

46 (iv) Any other identification card issued by a state, territory, or
47 possession of the United States, the District of Columbia, or the
48 United States that bears a picture of the person, the name of the

1 person, the person's date of birth, and a physical description of the
2 person;

3 (b) No cannabis establishment, distributor, or delivery service
4 shall employ persons under 18 years of age nor shall any cannabis
5 retailer allow persons under the legal age to purchase cannabis
6 items, other than a person employed by the retailer, to enter or
7 remain on the premises of a cannabis retailer unless accompanied
8 by a parent or legal guardian;

9 (c) Packaging and branding regulations to prevent the marketing
10 of cannabis items and cannabis paraphernalia to people under the
11 legal age to purchase cannabis items;

12 (d) No edible cannabis products shall be manufactured,
13 marketed, or sold that are in the shape of, or a shape bearing the
14 likeness or containing characteristics of, a realistic or fictional
15 human, animal, or fruit, or part thereof, including artistic,
16 caricature, or cartoon renderings;

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

22 (a) Cannabis items and cannabis paraphernalia are not
23 packaged, branded, or marketed using any statement, illustration, or
24 image that:

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

26 (ii) Promotes over-consumption;

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

29 (iv) Includes objects, such as toys, characters, or cartoon
30 characters suggesting the presence of a person under the legal age to
31 purchase cannabis items, or any other depiction designed in any
32 manner to be especially appealing to persons under the legal age to
33 purchase cannabis items;

34 (b) Ensure cannabis items are packaged in opaque, child-
35 resistant special packaging, or if applicable to a particular cannabis
36 item, child resistant special packaging for liquid nicotine
37 containers, in accordance with the "Poison Prevention Packaging
38 Act of 1970," 15 U.S.C. s.1471 et seq., and the associated
39 regulations promulgated thereunder, except that these child-
40 resistant packaging requirements shall not apply to any cannabis
41 item obtained from a cannabis retailer or alternative treatment
42 center for immediate, on-premises consumption at that retailer's or
43 center's cannabis consumption area as permitted pursuant to section
44 28 of P.L.2019, c.153 (C.24:6I-21);

45 (c) Cannabis items warning labels adequately inform consumers
46 about safe cannabis use and warn of the consequences of misuse or
47 overuse;

- 1 (d) Labeling rules that mandate clear identification of health and
2 safety information, including, but not limited to:
- 3 (i) Net weight;
 - 4 (ii) Production date and expiration date;
 - 5 (iii) For a cannabis product, cannabis extract, or other cannabis
6 resin, an ingredient list that includes, but is not limited to, all
7 ingredients used to manufacture the cannabis product, any other
8 inactive or excipient ingredients besides cannabis, and a list of all
9 potential allergens contained within the product;
 - 10 (iv) Strain or type of cannabis, listed by scientific terms, if
11 available, and generic or “slang” names;
 - 12 (v) Whether the product requires refrigeration;
 - 13 (vi) Growth method, whether dirt grown, hydroponic, or
14 otherwise, and an indication whether the cannabis was grown using
15 all-organic materials, and a complete list of any nonorganic
16 pesticides, fungicides and herbicides used during the cultivation of
17 the cannabis;
 - 18 (vii) For a cannabis product, serving size, the total number of
19 servings, and a statement regarding the percentage of THC
20 contained in the cannabis product and in each serving. For
21 example: “The serving size of active THC in this product is X mg.
22 This product contains X servings of cannabis, and the total amount
23 of active THC in this product is X mg.”;
 - 24 (viii) Warning labels that include the nationwide toll-free
25 telephone number used to access poison control centers that is
26 maintained in accordance with 42 U.S.C. s.300d-71, as well as
27 include, but are not limited to, one or more of the following
28 statements, if applicable to a particular cannabis item:
 - 29 -- “This product contains cannabis”;
 - 30 -- “This product is infused with cannabis”;
 - 31 -- “This product is intended for use by adults 21 years of age or
32 older. Keep out of the reach of children”;
 - 33 -- “The intoxicating effects of this product may be delayed by
34 two or more hours”;
 - 35 -- “There may be health risks associated with the consumption of
36 this product, including for women who are pregnant, breastfeeding,
37 or planning on becoming pregnant”;
 - 38 -- “Do not drive a motor vehicle or operate heavy machinery
39 while using this product”;
 - 40 (e) Labeling rules that mandate the source of a cannabis item,
41 including, but not limited to, the license number of the cannabis
42 cultivator where the usable cannabis used for the cannabis item was
43 grown, the license number of the cannabis manufacturer that
44 manufactured the cannabis item, and the license number of the
45 cannabis retailer that sold the cannabis item and the production
46 batch and lot number of the cannabis item;

1 (8) Health and safety regulations and standards for the
2 cultivation of cannabis, and the manufacture and sale of cannabis
3 items, including, but not limited to, requirements that:

4 (a) Establish accreditation and licensure criteria for cannabis
5 testing facilities, which shall include, as a condition for licensure,
6 the maintenance of a labor peace agreement and entrance into, or
7 good faith effort to enter into, a collective bargaining agreement in
8 accordance with subsection c. of section 19 of P.L.2021, c.16
9 (C.24:6I-36). The commission shall also incorporate the licensing
10 measures established by the Office of Minority, Disabled Veterans,
11 and Women Cannabis Business Development, and the assessment of
12 their effectiveness, pursuant to subparagraph (b) of paragraph (1) of
13 subsection c. of section 32 of P.L.2019, c.153 (C.24:6I-25), and
14 apply them to the licensing of cannabis testing facilities in order to
15 promote the licensing of persons from socially and economically
16 disadvantaged communities, and minority businesses and women's
17 businesses, as these terms are defined in section 2 of P.L.1986,
18 c.195 (C.52:27H-21.18), and disabled veterans' businesses as
19 defined in section 2 of P.L.2015, c.116 (C.52:32-31.2). The license
20 shall permit a cannabis testing facility to test cannabis items in
21 accordance with the provisions set forth in P.L.2021, c.16 (C.24:6I-
22 31 et al.), as well as test medical cannabis and medical cannabis
23 products in accordance with the provisions of the "Jake Honig
24 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
25 (C.24:6I-1 et al.);

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

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

41 (ii) Permit the commission to inspect any licensed cannabis
42 testing facility to determine the condition and calibration of any
43 equipment used for testing, and to ensure that a facility's testing
44 procedures are performed in accordance with the commission's
45 accreditation requirements for licensure;

46 (c) Every licensed cannabis cultivator and cannabis
47 manufacturer shall permit representatives of cannabis testing
48 facilities to make scheduled and unscheduled visits to their

- 1 premises in order to obtain random samples of cannabis items, in a
- 2 quantity established by the commission, to be transported to
- 3 cannabis testing facilities for inspection and testing to certify
- 4 compliance with health, safety, and potency standards adopted by
- 5 the commission;
- 6 (d) Prescribe methods of producing cannabis, and manufacturing
- 7 and packaging cannabis items; conditions of sanitation; safe
- 8 handling requirements; approved pesticides and pesticide testing
- 9 requirements, to the extent not inconsistent with approved
- 10 pesticides and requirements otherwise established under federal and
- 11 State law; and standards of ingredients, quality, and identity of
- 12 cannabis items manufactured, packaged, or sold by cannabis
- 13 establishments;
- 14 (e) Establish accreditation criteria for responsible cannabis
- 15 server and seller training and certification programs for cannabis
- 16 retailer employees;
- 17 (f) Provide that no licensed cannabis establishment, distributor,
- 18 or delivery service, or employee of a cannabis establishment,
- 19 distributor, or delivery service, shall consume, or allow to be
- 20 consumed, any cannabis items on the establishment's, distributor's,
- 21 or delivery service's premises, except as permitted in a cannabis
- 22 consumption area or premises' private area for employees as set
- 23 forth in section 28 of P.L.2019, c.153 (C.24:6I-21);
- 24 (g) (i) Set appropriate dosage, potency, and serving size limits
- 25 for cannabis items, provided that a standardized serving of a
- 26 cannabis product shall be no more than 10 milligrams of active
- 27 THC and no individual edible cannabis product for sale shall
- 28 contain more than 100 milligrams of active THC;
- 29 (ii) Require that each single standardized serving of a cannabis
- 30 product in a multiple-serving edible product is physically demarked
- 31 in a way that enables a reasonable person to determine how much of
- 32 the product constitutes a single serving of active THC, and that each
- 33 standardized serving of the cannabis product shall be easily
- 34 separable to allow an average person 21 years of age or older to
- 35 physically separate, with minimal effort, individual servings of the
- 36 product;
- 37 (iii) Require that, if it is impracticable to clearly demark every
- 38 standardized serving of cannabis product or to make each
- 39 standardized serving easily separable in an edible cannabis product,
- 40 the product shall contain no more than 10 milligrams of active THC
- 41 per unit of sale;
- 42 (h) Establish a universal symbol to indicate that a cannabis item
- 43 contains cannabis, which shall be marked, stamped, or imprinted
- 44 directly on an edible retail cannabis product, or on each single
- 45 standardized serving in a multiple-serving edible cannabis product,
- 46 unless the item is a loose bulk good such as granola or cereal, a
- 47 powder, a liquid-infused item, or another form too impractical to be
- 48 marked, stamped, or imprinted;

1 (i) Prohibit the use of a commercially manufactured or
2 trademarked food product as an edible retail cannabis product,
3 provided that a commercially manufactured or trademarked food
4 product may be used as a component of an edible retail cannabis
5 product or part of a product's recipe so long as the commercially
6 manufactured or trademarked food product is used in a way that
7 renders it unrecognizable in the final edible cannabis product and
8 the product is not advertised as containing the commercially
9 manufactured or trademarked food product;

10 (j) Establish screening, hiring, training, and supervising
11 requirements for cannabis retailer employees and others who
12 manufacture or handle cannabis items;

13 (k) Promote general sanitary requirements for the handling,
14 storage, and disposal of cannabis items, and the maintenance of
15 cannabis establishments, and cannabis distribution and cannabis
16 delivery service premises;

17 (l) Provide for rigorous auditing, inspection, and monitoring of
18 cannabis establishments, distributors, and delivery services for
19 compliance with health and safety rules and regulations;

20 (m) Require the implementation of security requirements for
21 cannabis retailers and premises where cannabis items are
22 manufactured, and safety protocols for cannabis establishments,
23 distributors, and delivery services, and their employees;

24 (n) Prescribe reasonable restrictions on the manner, methods,
25 and means by which cannabis cultivators and cannabis distributors
26 shall transport cannabis within the State, and all licensees shall
27 transport cannabis items within the State; and

28 (o) Establish procedures for identification, seizure, confiscation,
29 destruction, or donation to law enforcement for training purposes of
30 cannabis or cannabis items produced, manufactured, sold, or offered
31 for sale within this State which do not conform in all respects to the
32 standards prescribed by P.L.2021, c.16 (C.24:6I-31 et al.);

33 (9) **【Restrictions on】** Procedures governing the advertising and
34 display of cannabis items and cannabis paraphernalia, including, but
35 not limited to, requirements that:

36 (a) Restrict advertising of cannabis items and cannabis
37 paraphernalia in ways that target or are designed to appeal to
38 individuals under the legal age to purchase cannabis items,
39 including, but not limited to depictions of a person under 21 years
40 of age consuming cannabis items, or, includes objects, such as toys,
41 characters, or cartoon characters suggesting the presence of a
42 person under 21 years of age, or any other depiction designed in any
43 manner to be especially appealing to a person under 21 years of
44 age;

45 (b) **【Prohibit】** Permit advertising of any cannabis items or
46 cannabis paraphernalia on television, or on radio **【between the**
47 **hours of 6:00 a.m. and 10:00 p.m.】** under limited circumstances
48 established by the commission;

1 (c) Prohibit engaging in advertising unless the advertiser has
2 reliable evidence that at least **【71.6】 50** percent of the audience for
3 the advertisement is reasonably expected to be 21 years of age or
4 older;

5 (d) Prohibit engaging in advertising or marketing directed
6 towards location-based devices, including but not limited to cellular
7 phones, unless the marketing is a mobile device application
8 installed on the device by the owner of the device who is 21 years
9 of age or older and includes a permanent and easy opt-out feature
10 and warnings that the use of cannabis items is restricted to persons
11 21 years of age or older;

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

18 (f) Require all advertisements to contain the following
19 warning: “This product contains cannabis. For use only by adults
20 21 years of age or older. Keep out of the reach of children.”;
21 provided however, this subparagraph shall not apply to
22 advertisements which are limited to alerting the public as to the
23 name, contact information, and location of a licensed cannabis
24 business establishment licensed in accordance with P.L.2021,c.16
25 (C.24:6I-31 et seq.) to sell cannabis items; and

26 (g) Prohibit the advertising of cannabis items or cannabis
27 paraphernalia in any form or through any medium whatsoever
28 within 200 feet of any elementary or secondary school grounds.
29 This subparagraph shall not apply to advertisements within the
30 premises of a cannabis retailer.

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

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

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

46 (a) The commission shall be authorized and may at any time
47 make an examination of the premises of any person or entity
48 licensed under P.L.2021, c.16 (C.24:6I-31 et al.) for the purpose of

1 determining compliance with P.L.2021, c.16 (C.24:6I-31 et al.) and
2 the rules of the commission;

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

7 (c) During any inspection of a licensed premises, the
8 commission may require proof that a person performing work at the
9 premises is 18 years of age or older. If the person does not provide
10 the commission with acceptable proof of age upon request, the
11 commission may require the person to immediately cease any
12 activity and leave the premises until the commission receives
13 acceptable proof of age; and

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

16 (12) Record keeping requirements, including, but not limited to,
17 the following:

18 (a) The obligation of every cannabis cultivator to keep a
19 complete and accurate record of all sales of cannabis flowers,
20 cannabis leaves, and immature cannabis plants, and a complete and
21 accurate record of the number of cannabis flowers produced, the
22 number of ounces of cannabis leaves produced, the number of
23 immature cannabis plants produced, and the dates of production; the
24 obligation of every cannabis establishment to keep a complete and
25 accurate record of all sales of cannabis items, and a complete and
26 accurate record of the number of ounces of usable cannabis sold;
27 the obligation of every cannabis distributor to keep a complete and
28 accurate record of all cannabis and cannabis items transported in
29 bulk, and the sending and receiving cannabis establishments
30 involved in each transportation of the cannabis or cannabis items;
31 and the obligation of every cannabis delivery service to keep a
32 complete and accurate record of all cannabis item deliveries made
33 to consumers based on orders fulfilled by of cannabis retailers;

34 (b) Such records shall be kept and maintained for four years,
35 however there shall not be a requirement that the records be
36 maintained on the premises of a licensee, and the records shall be in
37 such form and contain such other information as the commission
38 may require; and

39 (c) The commission may, at any time, with adequate notice,
40 examine the books and records of any cannabis establishment,
41 distributor, or delivery service, and may appoint auditors,
42 investigators, and other employees that the commission considers
43 necessary to enforce its powers and its duties;

44 (13) Procedures for inspecting samples of cannabis items,
45 including:

46 (a) On a schedule determined by the commission, every licensed
47 cannabis cultivator and manufacturer shall submit representative
48 samples of cannabis items produced or manufactured by the

1 licensee to an independent, third-party licensed testing facility
 2 meeting the accreditation requirements established by the
 3 commission, or random samples may be obtained by representatives
 4 of the facility making a scheduled or unscheduled visit to the
 5 licensee's premises, for inspection and testing to certify compliance
 6 with standards adopted by the commission. Any sample remaining
 7 after testing shall be destroyed by the facility or returned to the
 8 licensee, unless that sample does not meet the applicable standards
 9 adopted by the commission, in which case it may be retained for
 10 purposes of retesting upon request of a licensee in accordance with
 11 subparagraph (c) of this paragraph;

12 (b) Licensees shall submit the results of this cannabis item
 13 inspection and testing to the commission on a form developed by
 14 the commission; and

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

31 (14) Establishing the number of cannabis retailers, and
 32 permissible business arrangements with respect to other types of
 33 retailing businesses:

34 (a) (i) Assuming there are sufficient qualified applicants for
 35 licensure, the commission shall, subject to periodic evaluation as
 36 described in paragraph (1) of this subsection, issue a sufficient
 37 number of Class 5 Retailer licenses to meet the market demands of
 38 the State, giving regard to geographical and population distribution
 39 throughout the State; and

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

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

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

3 b. In order to ensure that individual privacy is protected, the
4 commission shall not require a consumer to provide a cannabis
5 retailer with personal information other than government-issued
6 identification as set forth in subparagraph (a) of paragraph (6) of
7 subsection a. of this section in order to determine the consumer's
8 identity and age, and a cannabis retailer shall not collect and retain
9 any personal information about consumers other than information
10 typically acquired in a financial transaction conducted by the holder
11 of a Class C retail license concerning alcoholic beverages as set
12 forth in R.S.33:1-12.

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

26 d. The commission shall:

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

35 (2) Report the results of the research to the Governor and,
36 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), the
37 Legislature and make recommendations regarding both
38 administrative and legislative action as the commission deems
39 necessary.

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

41

42 4. Section 25 of P.L.2021, c.16 (C.24:6I-42) is amended to read
43 as follows:

44 25. Class 5 Cannabis Retailer license. A cannabis retailer shall
45 have a Class 5 Cannabis Retailer license issued by the commission
46 for the premises at which cannabis items are retailed, which may
47 include purchase orders for off-premises delivery by a certified
48 cannabis handler working for or on behalf of the cannabis retailer,

1 or consumer purchases to be fulfilled from the retail premises that
2 are presented by a cannabis delivery service with a Class 6
3 Cannabis Delivery Service license and which will be delivered by
4 the cannabis delivery service to that consumer. The commission
5 shall determine the maximum number of licenses, of which at least
6 35 percent shall be conditional licenses issued pursuant to
7 subparagraph (a) of paragraph (2) of subsection b. of section 19 of
8 P.L.2021, c.16 (C.24:6I-36), and at least 10 percent of the total
9 number of licenses and conditional licenses shall be designated for
10 and only issued to microbusinesses pursuant to subsection f. of that
11 section. Providing there exist qualified applicants, the commission
12 shall issue a sufficient number of licenses to meet the market
13 demands of the State, and may, as authorized by paragraph (1) of
14 subsection a. of section 18 of P.L.2021, c.16 (C.24:6I-35), accept
15 new applications for additional licenses as it deems necessary to
16 meet those demands.

17 a. To hold a Class 5 Cannabis Retailer license under this
18 section, a cannabis retailer:

19 (1) Shall apply for a license in the manner described in section
20 18 of P.L.2021, c.161 (C.24:6I-35);

21 (2) Shall have at least one significantly involved person who has
22 resided in this State for at least two years as of the date of the
23 application, and provide proof that this person and any other person
24 with a financial interest who also has decision making authority for
25 the cannabis retailer listed on an application submitted under
26 section 18 of P.L.2021, c.16 (C.24:6I-35) is 21 years of age or
27 older;

28 (3) Shall meet the requirements of any rule adopted by the
29 commission under subsection b. of this section; and

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

39 (a) Pursuant to this provision, the commission is authorized to
40 exchange fingerprint data with and receive criminal history record
41 background information from the Division of State Police and the
42 Federal Bureau of Investigation consistent with the provisions of
43 applicable State and federal laws, rules, and regulations. The
44 Division of State Police shall forward criminal history record
45 background information to the commission in a timely manner
46 when requested pursuant to the provisions of this section;

47 (b) Each person shall submit to being fingerprinted in
48 accordance with applicable State and federal laws, rules, and

1 regulations. No check of criminal history record background
2 information shall be performed pursuant to this section unless a
3 person has furnished his written consent to that check. A person
4 who refuses to consent to, or cooperate in, the securing of a check
5 of criminal history record background information shall not be
6 considered for licensure as a retailer. Each person shall bear the
7 cost for the criminal history record background check, including all
8 costs of administering and processing the check;

9 (c) (i) With respect to determining whether any conviction of a
10 person contained in the criminal history record background check
11 should disqualify an applicant for a Class 5 Cannabis Retailer
12 license, the commission shall not take into consideration any
13 conviction for a crime or offense that occurred prior to the effective
14 date of P.L.2021, c.16 (C.24:6I-31 et al.) involving a controlled
15 dangerous substance or controlled substance analog as set forth in
16 paragraph (11) or (12) of subsection b., or subparagraph (b) of
17 paragraph (10) of subsection b. of N.J.S.2C:35-5, or paragraph (3)
18 or (4) of subsection a. of N.J.S.2C:35-10, or any similar indictable
19 offense under federal law, this State's law, or any other state's law,
20 or for any conviction under federal law for conduct involving
21 cannabis or a cannabis item that is authorized by P.L.2021, c.16
22 (C.24:6I-31 et al.). Additionally, the commission shall not take into
23 consideration any other prior conviction, unless that conviction is
24 for an indictable offense under federal law, other than a conviction
25 for conduct involving cannabis or a cannabis item that is authorized
26 by P.L.2021, c.16 (C.24:6I-31 et al.), or under this State's law, or
27 any other state's law that is substantially related to the
28 qualifications, functions, or duties for which the license is required,
29 and not more than five years have passed since the date of that
30 conviction, satisfactory completion of probation or parole, or
31 release from incarceration, whichever is later. In determining
32 which indictable offenses are substantially related to the
33 qualifications, functions, or duties for which the license is required,
34 the commission shall at least consider any conviction involving
35 fraud, deceit, or embezzlement, and any conviction for N.J.S.2C:35-
36 6, employing a minor in a drug distribution scheme, or similar
37 indictable offense in this or another jurisdiction involving the use of
38 a minor to dispense or distribute a controlled dangerous substance
39 or controlled substance analog;

40 (ii) The commission may approve an applicant for a Class 5
41 Cannabis Retailer license after conducting a thorough review of any
42 previous conviction of a person that substantially related to the
43 qualifications, functions, or duties for which the license is required
44 that is contained in the criminal history record background
45 information, and this review shall include examining the nature of
46 the indictable offense, the circumstances at the time of committing
47 the offense, and evidence of rehabilitation since conviction. If the
48 commission determines that the reviewed conviction should not

1 disqualify the applicant, the applicant may be approved so long as
2 the applicant is otherwise qualified to be issued the license; and

3 (d) Upon receipt and review of the criminal history record
4 background information from the Division of State Police and the
5 Federal Bureau of Investigation, the commission shall provide
6 written notification to the applicant of the qualification or
7 disqualification for a Class 5 Cannabis Retailer license.

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

13 (e) The Division of State Police shall promptly notify the
14 commission in the event that an individual who was the subject of a
15 criminal history record background check conducted pursuant to
16 this section is convicted of a crime or offense in this State after the
17 date the background check was performed. Upon receipt of that
18 notification, the commission shall make a determination regarding
19 the continued eligibility for the applicant, or following application,
20 for the licensee, to hold a Class 5 Cannabis Retailer license.

21 b. The commission shall adopt rules that:

22 (1) Provide for the annual renewal of the Class 5 Cannabis
23 Retailer license;

24 (2) Establish application, licensure, and renewal of licensure
25 fees for a cannabis retailer in accordance with paragraph (2) of
26 subsection a. of section 18 of P.L.2021, c.16 (C.24:6I-35); and

27 (3) Require a cannabis retailer to meet any public health and
28 safety standards, industry best practices, and all applicable
29 regulations established by the commission related to the retailing of
30 cannabis items.

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

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

34 (2) Shall be deposited in the “Cannabis Regulatory,
35 Enforcement Assistance, and Marketplace Modernization Fund”
36 established under section 41 of P.L.2021, c.16 (C.24:6I-50).

37 d. (1) The commission shall issue or deny issuance of a Class 5
38 Cannabis Retailer license or conditional license in accordance with
39 the procedures set forth in section 18 of P.L.2021, c.16 (C.24:6I-
40 35).

41 (2) The commission may suspend or revoke a Class 5 Cannabis
42 Retailer license or conditional license to operate as a cannabis
43 retailer for cause, which shall be considered a final agency action
44 for the purposes of the “Administrative Procedure Act,” P.L.1968,
45 c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial
46 review as provided in the Rules of Court.

1 e. A person who has been issued a license or conditional
2 license shall display the license or conditional license at the
3 premises at all times when cannabis is being retailed.

4 f. As required by the commission in regulation, a licensee or
5 conditional licensee shall report required changes in information
6 about the licensee to the commission within the time specified by
7 the commission.

8 g. Subject to receiving an endorsement pursuant to section 28
9 of P.L.2019, c.153 (C.24:6I-21):

10 (1) A licensed cannabis retailer may operate a cannabis
11 consumption area at which the on-premises consumption of
12 cannabis items either obtained from the retailer, or brought by a
13 person to the consumption area, may occur.

14 (2) Each licensed cannabis retailer may operate only one
15 cannabis consumption area.

16 (3) The cannabis consumption area shall be either (a) an indoor,
17 structurally enclosed area of the licensed cannabis retailer that is
18 separate from the area in which retail sales of cannabis items occur
19 or (b) an exterior structure on the same premises as the retailer,
20 either separate from or connected to the retailer.

21 (4) A Class 5 Cannabis Retailer licensee that has been approved
22 for a cannabis consumption area endorsement may transfer cannabis
23 items purchased by a consumer in its retail establishment to that
24 consumer in its cannabis consumption area. The Class 5 Cannabis
25 Retailer licensee shall not transfer to the consumption area an
26 amount of cannabis items that exceed the limits established by the
27 commission.

28 h. In addition to cannabis and cannabis items, the holder of a
29 valid and unrevoked Class 5 Cannabis Retailer license shall be
30 authorized to sell hemp-derived cannabinoid products intended for
31 human consumption, provided that the products are so labeled in
32 accordance with commission rules.

33 (cf: P.L.2021, c.16, s.25)

34

35 5. Section 41 of P.L.2021, c.16 (C.24:6I-50) is amended to read
36 as follows:

37 41. Cannabis Regulatory, Enforcement Assistance, and
38 Marketplace Modernization Fund.

39 a. 【All】 Except for amounts credited to the Property Tax
40 Reform Account in the Property Tax Relief Fund pursuant to
41 paragraph 7 of Section I of Article VIII of the New Jersey
42 Constitution, all fees and penalties collected by the commission, all
43 tax revenues on retail sales of cannabis items, all tax revenues
44 collected pursuant to the provisions of the “Jake Honig
45 Compassionate Use Medical Cannabis Act,” P.L.2009, c.307
46 (C.24:6I-1 et al.) **】, except for amounts credited to the Property Tax**
47 **Reform Account in the Property Tax Relief Fund pursuant to**
48 **paragraph 7 of Section I of Article VIII of the New Jersey**

1 Constitution, **】** ; and all revenues, if any, collected for the Social
 2 Equity Excise Fee pursuant to section 39 of P.L.2021, c.16
 3 (C.54:47F-1) **【,** **】** ; and all tax revenues on the retail sale of
 4 intoxicating hemp beverages by any plenary retail distribution
 5 license holder or Class 5 Cannabis Retailer licensee, as well as any
 6 fees associated with the approval provided to any plenary wholesale
 7 license holder to sell intoxicating hemp beverages, as defined
 8 pursuant to **【**section 5 of P.L.2024, c.73 (C.24:6I-48.2)**】** section 3
 9 of P.L.2021, c.16 (C.24:6I-33), shall be deposited in a special
 10 nonlapsing fund, which shall be known as the “Cannabis
 11 Regulatory, Enforcement Assistance, and Marketplace
 12 Modernization Fund,” with 15 percent of the monies deposited
 13 being placed into an account within the fund to be known as the
 14 “Underage Deterrence and Prevention Account.”

15 b. **【**Monies in the fund, other than **】** Except for any monies
 16 derived from the Social Equity Excise Fee **【to】** which shall be
 17 appropriated annually in accordance with subsection d. of this
 18 section and the monies placed into the “Underage Deterrence and
 19 Prevention Account” within the fund for the commission to fund
 20 programs and services in accordance with subsection e. of this
 21 section, monies in the fund shall be appropriated annually as
 22 follows:

23 (1) at least 70 percent of all tax revenues on retail sales of
 24 cannabis items shall be appropriated for investments, including
 25 through grants, loans, reimbursements of expenses, and other
 26 financial assistance, in municipalities defined as an “impact zone”
 27 pursuant to section 3 of P.L.2021, c.16 (C.24:6I-33), as well as
 28 provide direct financial assistance to qualifying persons residing
 29 therein as recommended by the commission; and (2) the remainder
 30 of the monies in the fund shall be appropriated by the Legislature to
 31 include the following:

32 (a) to oversee the development, regulation, and enforcement of
 33 activities associated with the personal use of cannabis pursuant to
 34 P.L.2021, c.16 (C.24:6I-31 et al.), and assist with assuming
 35 responsibility from the Department of Health for the further
 36 development and expansion, regulation, and enforcement of
 37 activities associated with the medical use of 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 (b) to reimburse the expenses incurred by any county or
 42 municipality for the training costs associated with the attendance
 43 and participation of a **【police】** law enforcement officer from its law
 44 enforcement unit in a police training course by an approved school,
 45 as those terms are defined in section 2 of P.L.1961, c.56 (C.52:17B-
 46 67), **【**in a program provided by an approved school, also defined in
 47 that section,**】** which trains and certifies the **【police】** law

1 enforcement officer, including a **【police】** law enforcement officer
2 with a working dog, as that term is defined in section 1 of P.L.2006,
3 c.88 (C.10:5-29.7), as a Drug Recognition Expert for detecting,
4 identifying, and apprehending drug-impaired motor vehicle
5 operators**【.】**; and to pay for the same training costs incurred by the
6 Division of State Police in the Department of Law and Public
7 Safety for the training of a State police officer or trooper, including
8 an officer or trooper with a working dog, as a Drug Recognition
9 Expert, as well as **【its】** the Division of State Police costs in
10 furnishing additional program instructors to provide Drug
11 Recognition Expert training to police officers, troopers, and
12 working dogs. A municipality or county seeking reimbursement
13 shall apply to the commission, itemizing the costs, with appropriate
14 proofs, for which reimbursement is requested and provide a copy of
15 the certificate issued to the police officer to indicate the successful
16 completion of the program by the police officer, and that officer's
17 working dog, if applicable; and

18 (c) for further investments, including through grants, loans,
19 reimbursements of expenses, and other financial assistance, in
20 municipalities defined as an "impact zone" pursuant to section 3 of
21 P.L.2021, c.16 (C.24:6I-33), as well as provide direct financial
22 assistance to qualifying persons residing therein as recommended
23 by the commission.

24 The monies appropriated pursuant to paragraph (1) of this
25 subsection shall be offset by any revenue constitutionally dedicated
26 to municipalities defined as an "impact zone" pursuant to section 3
27 of P.L.2021, c.16 (C.24:6I-33).

28 c. **【Any remaining available monies, after】** After the
29 appropriation of those monies in the fund in accordance with
30 subsection b. of this section, any remaining monies shall be
31 deposited in the State's General Fund.

32 d. (1) (a) Not less than 60 days prior to the first day of each State
33 fiscal year, the commission shall **【consult and】** make
34 recommendations to the Governor and Legislature for **【making】**
35 social equity appropriations based upon the amount of any revenues
36 collected during the current fiscal year for the Social Equity Excise
37 Fee pursuant to section 39 of P.L.2021, c.16 (C.54:47F-1), or, if the
38 commission has not imposed or adjusted the **【excise fee】** Social
39 Equity Excise Fee in the current fiscal year pursuant to that section,
40 then appropriations **【to be made】** from the General Fund in an
41 amount equal to the revenues that would have been collected had
42 **【it】** the commission imposed or adjusted the **【fee, in order to】**
43 Social Equity Excise Fee. The recommendations to the Governor
44 and the Legislature shall consist of social equity appropriations that
45 invest, through grants, loans, reimbursements of expenses, and
46 other financial assistance, in private for-profit and non-profit
47 organizations, and public entities, including any municipality

1 defined as an “impact zone” pursuant to section 3 of P.L.2021, c.16
2 (C.24:6I-33) as well as provide direct financial assistance to
3 qualifying persons as determined by the commission, in order to
4 create, expand, or promote educational and economic opportunities
5 and activities, and the health and well-being of both communities
6 and individuals.

7 (b) Not less than 30 days prior to submitting its
8 recommendations to the Governor and Legislature pursuant to
9 subparagraph (a) of this paragraph, the commission shall hold at
10 least three regional public hearings throughout the State, with at
11 least one hearing in the northern, central, and southern regions of
12 the State, to solicit the public input on the social equity investments
13 to be made as described in this section.

14 (2) The commission’s recommendations to the Governor and
15 Legislature may include, but are not limited to, recommending
16 investments in the following categories of social equity programs:

17 (a) educational support, including literacy programs, extended
18 learning time programs that endeavor to close the achievement gap
19 and provide services for enrolled students after the traditional
20 school day, GED application and preparedness assistance, tutoring
21 programs, vocational programming, and financial literacy;

22 (b) economic development, including the encouragement and
23 support of community activities so as to stimulate economic activity
24 or increase or preserve residential amenities, and business
25 marketing, and job skills and readiness training, specific
26 employment training, and apprenticeships;

27 (c) social support services, including food assistance, mental
28 health services, substance use disorders treatment and recovery,
29 youth recreation and mentoring services, life skills support services,
30 and reentry and other rehabilitative services for adults and juveniles
31 being released from incarceration; and

32 (d) legal aid for civil and criminal cases, regardless of a party’s
33 citizenship or immigration status.

34 (3) The commission may also, subject to the annual
35 appropriations act, recommend that it retain a portion of the Social
36 Equity Excise Fee to administer startup grants, low-interest loans,
37 application fee assistance, and job training programs through the
38 commission’s Office of Minority, Disabled Veterans and Women
39 Cannabis Business Development established by section 32 of
40 P.L.2019, c.153 (24:6I-25).

41 (4) **【Prior】** After receiving the recommendations, as set forth in
42 paragraphs (1) through (3) of this subsection and prior to the first
43 day of each fiscal year, the Legislature shall provide to the
44 commission a statement which lists the investments to be made by
45 appropriations, including the investment recipients **【and】** ,
46 investment **【amount,** to be made by appropriations as set forth in
47 paragraph (1) of this subsection based upon recommendations
48 presented to the Governor and Legislature pursuant to paragraphs

1 (1) through (3) of this subsection **】** amounts, and how the investment
2 is intended to support and advance social equity as described in this
3 subsection.

4 e. The monies deposited in the “Underage Deterrence and
5 Prevention Account” within the fund shall be used by the
6 commission, based on the acceptance of applications submitted on a
7 form and through an approval or denial process promulgated by the
8 commission, to fund private for-profit and non-profit organizations,
9 and county and municipal programs and services that offer social
10 services, educational, recreational, and employment opportunities,
11 and local economic development designed to encourage, improve,
12 and support youthful community activities to divert and prevent
13 persons under 18 years of age from activities associated with the
14 consumption of cannabis items, or marijuana or hashish.
15 (cf: P.L.2024, c.73, s.7)

16

17 6. R.S.33:1-11 is amended to read as follows:

18 33:1-11. Class B licenses shall be subdivided and classified as
19 follows:

20 Plenary wholesale license. 1. The holder of this license shall be
21 entitled, subject to rules and regulations, to sell and distribute
22 alcoholic beverages, or intoxicating hemp beverages **【**, in
23 accordance with section 5 of P.L.2024, c.73 (C.24:6I-48.2)**】** until
24 the expiration of section 11 of P.L. , c. (pending before the
25 Legislature as this bill), to retailers and wholesalers licensed in
26 accordance with this chapter, and to sell and distribute without this
27 State to any persons pursuant to the laws of the places of such sale
28 and distribution, and to maintain a warehouse and salesroom;
29 provided, however, that the delivery of such alcoholic beverages by
30 the holder of this license to retailers licensed under this Title shall
31 be from inventory in a warehouse located in New Jersey which is
32 operated under a plenary wholesale license. The fee for this license
33 shall be \$8,750.

34 Limited wholesale license. 2 a. The holder of this license shall be
35 entitled, subject to rules and regulations, to sell and distribute
36 brewed malt alcoholic beverages and naturally fermented wines to
37 retailers and wholesalers licensed in accordance with this chapter,
38 and to sell and distribute without this State to any persons pursuant
39 to the laws of the places of such sale and distribution, and to
40 maintain a warehouse and salesroom. The fee for this license shall
41 be \$1,875.

42 Wine wholesale license. 2b. The holder of this license shall be
43 entitled, subject to rules and regulations, to sell and distribute any
44 naturally fermented, treated, blended, fortified and sparkling wines
45 to retailers and wholesalers licensed in accordance with this
46 chapter, and to sell and distribute without this State to any persons
47 pursuant to the laws of the places of such sale and distribution, and
48 to maintain a warehouse and salesroom; provided, however, that the

1 delivery of such wines by the holder of this license to retailers
2 licensed under this Title shall be from inventory in a warehouse
3 located in New Jersey which is operated under a wine wholesale
4 license. The fee for this license shall be \$3,750.

5 State beverage distributor's license. 2c. (1) The holder of this
6 license shall be entitled, subject to rules and regulations, to sell and
7 distribute unchilled, brewed, malt alcoholic beverages in original
8 containers only, in quantities of not less than 144 fluid ounces and
9 chilled draught malt alcoholic beverages in kegs, barrels or other
10 similar containers of at least one fluid gallon in capacity, to retailers
11 licensed in accordance with this chapter, and to sell and distribute
12 without this State to any person pursuant to the laws of the places of
13 such sale and distribution, and to maintain a warehouse and
14 salesroom. The holder of this license may sell unchilled, brewed,
15 malt alcoholic beverages in original containers only, in quantities of
16 not less than 144 fluid ounces and chilled draught malt alcoholic
17 beverages in kegs, barrels or other similar containers of at least 7.75
18 fluid gallons in capacity, at retail; provided, however, that such
19 sales shall be made only for consumption off the licensed premises.
20 This license shall not be issued to any person holding a plenary or
21 limited brewery license, nor shall it be issued to any person directly
22 or indirectly interested in any brewery within or without this State.
23 This license shall not be issued for premises in or upon which any
24 retail business, except the sale of malt alcoholic beverages and
25 nonalcoholic beverages, is carried on. The fee for this license shall
26 be \$1,031.

27 (2) After the effective date of P.L.1995, c. 309 any license
28 issued or transferred pursuant to this subsection for a premises
29 located in a municipality in a county of the fifth or sixth class shall
30 be limited to prohibit retail sales.

31 (3) The holder of a license issued pursuant to this subsection
32 shall not be entitled to sell malt alcoholic beverages at retail as
33 provided in paragraph (1) of this subsection, at hours of the day or
34 on days of the week during which sales by holders of plenary retail
35 distributors licenses are prohibited in the municipality in which the
36 licensed premises is located or in a municipality which, in
37 accordance with the provisions of this title, prohibits all retail sales
38 of wine and malt alcoholic beverages in original bottle or can
39 containers.

40 The provisions of section 22 of P.L.2003, c.117 amendatory of
41 this section shall apply to licenses issued or transferred on or after
42 July 1, 2003, and to license renewals commencing on or after July
43 1, 2003.

44 (cf: P.L.2024, c.73, s.10)

45

46 7. R.S.33:1-12 is amended to read as follows:

47 33:1-12. Class C licenses shall be subdivided and classified as
48 follows:

1 Plenary retail consumption license. 1. The holder of this license
2 shall be entitled, subject to rules and regulations, to sell any
3 alcoholic beverages for consumption on the licensed premises by
4 the glass or other open receptacle, and also to sell any alcoholic
5 beverages in original containers for consumption off the licensed
6 premises; but this license shall not be issued to permit the sale of
7 alcoholic beverages in or upon any premises in which a grocery,
8 delicatessen, drug store or other mercantile business is carried on,
9 except as hereinafter provided. The holder of this license shall be
10 permitted to conduct consumer wine, beer and spirits tasting events
11 and samplings for a fee or on a complimentary basis pursuant to
12 conditions established by rules and regulations of the Division of
13 Alcoholic Beverage Control, provided however, that the holder of
14 this license complies with the terms and conditions set forth in
15 section 3 of P.L.2009, c.216 (C.33:1-12d). Subject to such rules
16 and regulations established from time to time by the director, the
17 holder of this license shall be permitted to sell alcoholic beverages
18 in or upon the premises in which any of the following is carried on:
19 the keeping of a hotel or restaurant including the sale of mercantile
20 items incidental thereto as an accommodation to patrons; the sale, at
21 an entertainment facility as defined in R.S.33:1-1, having a seating
22 capacity for no less than 4,000 patrons, of mercantile items
23 traditionally associated with the type of event or program held at
24 the site; the sale of distillers', brewers' and vintners' packaged
25 merchandise prepacked as a unit with other suitable objects as gift
26 items to be sold only as a unit; the sale of novelty wearing apparel
27 identified with the name of the establishment licensed under the
28 provisions of this section; the sale of cigars, cigarettes, packaged
29 crackers, chips, nuts and similar snacks and ice at retail as an
30 accommodation to patrons, or the retail sale of nonalcoholic
31 beverages as accessory beverages to alcoholic beverages; or, in
32 commercial bowling establishments, the retail sale or rental of
33 bowling accessories and the retail sale from vending machines of
34 candy, ice cream and nonalcoholic beverages. The fee for this
35 license shall be fixed by the governing board or body of the
36 municipality in which the licensed premises are situated, by
37 ordinance, at not less than \$250 and not more than \$2,500. No
38 ordinance shall be enacted which shall raise or lower the fee to be
39 charged for this license by more than 20% from that charged in the
40 preceding license year or \$500.00, whichever is the lesser. The
41 governing board or body of each municipality may, by ordinance,
42 enact that no plenary retail consumption license shall be granted
43 within its respective municipality.

44 The holder of this license shall be permitted to obtain a restricted
45 brewery license issued pursuant to subsection 1c. of R.S.33:1-10
46 and to operate a restricted brewery immediately adjoining the
47 licensed premises in accordance with the restrictions set forth in

1 that subsection. All fees related to the issuance of both licenses
2 shall be paid in accordance with statutory law.

3 Seasonal retail consumption license. 2. (1) The holder of this
4 license shall be entitled, subject to rules and regulations, to sell any
5 alcoholic beverages for consumption on the licensed premises by
6 the glass or other open receptacle, and also to sell any alcoholic
7 beverages in original containers for consumption off the licensed
8 premises, during the summer season from May 1 until November
9 14, inclusive, or during the winter season from November 15 until
10 April 30, inclusive.

11 (2) In addition, the director shall issue to the holder of this
12 license, upon request by the licensee, one-day permits that shall
13 entitle the license holder to sell alcoholic beverages for
14 consumption on the licensed premises during the season when the
15 license holder is not authorized to sell alcoholic beverages pursuant
16 to subparagraph (1) of this subsection. The number of one-day
17 permits issued to a licensee pursuant to this subsection shall not
18 exceed an aggregate of 14 permits in one calendar year. A one-day
19 permit issued pursuant to this subsection shall be valid for 24
20 consecutive hours. The fee for each one-day permit shall be \$500.

21 The governing body of the municipality in which the licensed
22 premises is situated may place reasonable conditions upon a one-
23 day permit for the purpose of maintaining public safety on the
24 licensed premises and immediately surrounding area. The costs
25 associated with the reasonable conditions placed on the one-day
26 permit shall be assumed by the holder of this license.

27 (3) This license shall not be issued to permit the sale of
28 alcoholic beverages in or upon any premises in which a grocery,
29 delicatessen, drug store or other mercantile business is carried on,
30 except as hereinafter provided. Subject to such rules and
31 regulations established from time to time by the director, the holder
32 of this license shall be permitted to sell alcoholic beverages in or
33 upon the premises in which any of the following is carried on: the
34 keeping of a hotel or restaurant including the sale of mercantile
35 items incidental thereto as an accommodation to patrons; the sale of
36 distillers', brewers' and vintners' packaged merchandise prepacked
37 as a unit with other suitable objects as gift items to be sold only as a
38 unit; the sale of novelty wearing apparel identified with the name of
39 the establishment licensed under the provisions of this section; the
40 sale of cigars, cigarettes, packaged crackers, chips, nuts and similar
41 snacks and ice at retail as an accommodation to patrons; or the retail
42 sale of nonalcoholic beverages as accessory beverages to alcoholic
43 beverages. The fee for this license shall be fixed by the governing
44 board or body of the municipality in which the licensed premises
45 are situated, by ordinance, at 75% of the fee fixed by said board or
46 body for plenary retail consumption licenses. The governing board
47 or body of each municipality may, by ordinance, enact that no

1 seasonal retail consumption license shall be granted within its
2 respective municipality.

3 Plenary retail distribution license. 3. a. The holder of this license
4 shall be entitled, subject to rules and regulations, to sell any
5 alcoholic beverages, or intoxicating hemp beverages [pursuant to
6 section 5 of P.L.2024, c.73 (C.24:6I-48.2)] until the expiration of
7 section 11 of P.L. , c. (pending before the Legislature as this
8 bill), for consumption off the licensed premises, but only in original
9 containers except that licensees shall be permitted to conduct
10 consumer wine, beer, and spirits tasting events and samplings on a
11 complimentary basis pursuant to conditions established by rules and
12 regulations of the Division of Alcoholic Beverage Control, provided
13 however, that the holder of this license complies with the terms and
14 conditions set forth in section 3 of P.L.2009, c.216 (C.33:1-12d).

15 The governing board or body of each municipality may, by
16 ordinance, enact that this license shall not be issued to permit the
17 sale of alcoholic beverages in or upon any premises in which any
18 other mercantile business is carried on, except that any such
19 ordinance, heretofore or hereafter adopted, shall not prohibit the
20 retail sale of distillers', brewers' and vintners' packaged
21 merchandise prepacked as a unit with other suitable objects as gift
22 items to be sold only as a unit; the sale of novelty wearing apparel
23 identified with the name of the establishment licensed under the
24 provisions of this act; cigars, cigarettes, packaged crackers, chips,
25 nuts and similar snacks, ice, and nonalcoholic beverages as
26 accessory beverages to alcoholic beverages. The fee for this license
27 shall be fixed by the governing board or body of the municipality in
28 which the licensed premises are situated, by ordinance, at not less
29 than \$125 and not more than \$2,500. No ordinance shall be enacted
30 which shall raise or lower the fee to be charged for this license by
31 more than 20% from that charged in the preceding license year or
32 \$500.00, whichever is the lesser. The governing board or body of
33 each municipality may, by ordinance, enact that no plenary retail
34 distribution license shall be granted within its respective
35 municipality.

36 Limited retail distribution license. 3. b. The holder of this license
37 shall be entitled, subject to rules and regulations, to sell any
38 unchilled, brewed, malt alcoholic beverages in quantities of not less
39 than 72 fluid ounces for consumption off the licensed premises, but
40 only in original containers; provided, however, that this license
41 shall be issued only for premises operated and conducted by the
42 licensee as a bona fide grocery store, meat market, meat and
43 grocery store, delicatessen, or other type of bona fide food store at
44 which groceries or other foodstuffs are sold at retail; and provided
45 further that this license shall not be issued except for premises at
46 which the sale of groceries or other foodstuffs is the primary and
47 principal business and at which the sale of alcoholic beverages is
48 merely incidental and subordinate thereto. The fee for this license

1 shall be fixed by the governing body or board of the municipality in
2 which the licensed premises are situated, by ordinance, at not less
3 than \$31 and not more than \$63. The governing board or body of
4 each municipality may, by ordinance, enact that no limited retail
5 distribution license shall be granted within its respective
6 municipality.

7 Plenary retail transit license. 4. The holder of this license shall be
8 entitled, subject to rules and regulations, to sell any alcoholic
9 beverages, for consumption only, on railroad trains, airplanes,
10 limousines and boats, while in transit. The fee for this license for
11 use by a railroad or air transport company shall be \$375, for use by
12 the owners of limousines shall be \$31 per vehicle, and for use on a
13 boat shall be \$63 on a boat 65 feet or less in length, \$125 on a boat
14 more than 65 feet in length but not more than 110 feet in length,
15 and \$375 on a boat more than 110 feet in length; such boat lengths
16 shall be determined in the manner prescribed by the Bureau of
17 Customs of the United States Government or any federal agency
18 successor thereto for boat measurement in connection with issuance
19 of marine documents. A license issued under this provision to a
20 railroad or air transport company shall cover all railroad cars and
21 planes operated by any such company within the State of New
22 Jersey. A license for a boat or limousine issued under this
23 provision shall apply only to the particular boat or limousine for
24 which issued, and shall permit the purchase of alcoholic beverages
25 for sale or service in a boat or limousine to be made from any Class
26 A and B licensee or from any Class C licensee whose license
27 privilege permits the sale of alcoholic beverages in original
28 containers for off-premises consumption. An interest in a plenary
29 retail transit license issued in accordance with this section shall be
30 excluded in determining the maximum number of retail licenses
31 permitted under P.L.1962, c.152 (C.33:1-12.31 et seq.).

32 Club license. 5. The holder of this license shall be entitled,
33 subject to rules and regulations, to sell any alcoholic beverages but
34 only for immediate consumption on the licensed premises and only
35 to bona fide club members and their guests. The fee for this license
36 shall be fixed by the governing board or body of the municipality in
37 which the licensed premises are situated, by ordinance, at not less
38 than \$63 and not more than \$188. The governing board or body of
39 each municipality may, by ordinance, enact that no club licenses
40 shall be granted within its respective municipality. Club licenses
41 may be issued only to such corporations, associations and
42 organizations as are operated for benevolent, charitable, fraternal,
43 social, religious, recreational, athletic, or similar purposes, and not
44 for private gain, and which comply with all conditions which may
45 be imposed by the Director of the Division of Alcoholic Beverage
46 Control by rules and regulations.

47 The provisions of section 23 of P.L.2003, c.117 amendatory of
48 this section shall apply to licenses issued or transferred on or after

1 July 1, 2003, and to license renewals commencing on or after July
2 1, 2003.

3 Sporting facility license. 6. The holder of this license shall be
4 entitled, subject to rules and regulations, to sell at retail or to serve
5 any alcoholic beverages as the owner, operator, lessee, or
6 concessionaire of a sporting facility by the glass or other receptacle
7 or in original containers only on the premises of the sporting
8 facility.

9 Notwithstanding any other provision of Title 33 of the Revised
10 Statutes and subject to conditions established by the director, the
11 holder of this license may share direction and control of the
12 premises to be licensed and share proceeds and profits from the sale
13 of alcoholic beverages with the owner, operator, concessionaire, or
14 lessee of the facility. The holder of this license shall be permitted
15 to conduct consumer wine, beer, and spirits tasting events and
16 samplings for a fee or on a complimentary basis provided, however,
17 the license holder complies with the provisions of section 3 of
18 P.L.2009, c.216 (C.33:1-12d) and rules and regulations promulgated
19 thereto. Notwithstanding any law, rule or regulation to the
20 contrary, the holder of this license shall be entitled to establish up
21 to five all-inclusive areas within the licensed sporting facility,
22 provided the total capacity of the all-inclusive area or areas within
23 the sporting facility for each game or event does not exceed more
24 than 500 persons or five percent of the total capacity of the sporting
25 facility, whichever is greater.

26 The fee for this license shall be \$2,500 for venues with a
27 capacity of less than 7,500 persons; \$5,000 for venues with a
28 capacity of not less than 7,500 persons but not more than 14,999
29 persons; \$7,500 for venues with a capacity of not less than 15,000
30 persons but not more than 22,499 persons; and \$10,000 for venues
31 with a capacity of 22,500 persons or more.

32 The director may, in accordance with regulations or a special
33 ruling, issue special all-inclusive area event permits to the holder of
34 this license authorizing the establishment of an all-inclusive area or
35 areas in excess of these limitations for a national or international
36 sporting event at a sporting facility with a seating capacity of
37 50,000 or more persons, provided the issuance of the special all-
38 inclusive area event permits is consistent with the provisions of
39 Title 33 of the Revised Statutes and any regulations promulgated
40 thereunder. The director may impose special conditions on the
41 special all-inclusive area event permits deemed necessary and
42 proper to protect the health, safety, and welfare of the public. A
43 special all-inclusive area event permit issued pursuant to this
44 subsection shall be valid for the specified duration of the event and
45 the fee shall be \$2,000 per day for each all-inclusive area
46 established, but the total fee shall not exceed \$6,000 per day. Prior
47 to the issuance of a special all-inclusive area event permit, the
48 director may require the holder of this license to provide a bond or

1 equivalent to the Division of Alcoholic Beverage Control in an
2 amount to be determined by the director based on the size, scope,
3 and conditions of the national or international sporting event and
4 the compliance history of the sporting facility license holder.

5 For the purposes of this subsection:

6 “National or international sporting event” means a tournament-
7 level professional event governed by a national or international
8 sports federation or governing body, including but not limited to
9 sporting events governed by the National Football League,
10 International Olympic Committee, and the International Federation
11 of Association Football.

12 “Sporting facility” means a stadium, arena, team training facility,
13 or similar venue located on public property where alcoholic
14 beverages are served or sold at retail for consumption on the
15 premises by the glass or other open receptacle or in original
16 containers.

17 “Team training facility” shall include team offices and team
18 headquarters.

19 (cf: P.L.2025, c.34, s.1)

20
21 8. (New section) a. On or after ¹~~March~~ April¹ 13, 2026, or
22 unless otherwise authorized by law, it shall be unlawful to sell, offer
23 for sale, or distribute any of the following:

24 (1) any viable seeds from a Cannabis sativa L. plant that exceeds a
25 total tetrahydrocannabinol concentration, including
26 tetrahydrocannabinolic acid, of 0.3 percent in the plant on a dry weight
27 basis;

28 (2) any intermediate hemp-derived product containing:

29 (a) cannabinoids that are not capable of being naturally produced
30 by a Cannabis sativa L. plant;

31 (b) cannabinoids that are capable of being naturally produced by a
32 Cannabis sativa L. plant, but were synthesized or manufactured; or

33 (c) more than 0.3 percent combined total of total
34 tetrahydrocannabinol, including tetrahydrocannabinolic acid, with any
35 other cannabinoids that have similar effects or are marketed to have
36 similar effects on humans or animals as tetrahydrocannabinol, as
37 determined by the United States Secretary of Health and Human
38 Services;

39 (3) any intermediate hemp-derived cannabinoid product that is
40 marketed or sold as a final product or directly to an end consumer for
41 personal or household use;

42 (4) any final hemp-derived cannabinoid products containing:

43 (a) cannabinoids that are not capable of being naturally produced
44 by a Cannabis sativa L. plant;

45 (b) cannabinoids that are capable of being naturally produced by a
46 Cannabis sativa L. plant, but were synthesized or manufactured
47 outside the plant; or

(c) cannabinoids that are capable of being naturally produced by a Cannabis sativa L. plant, but were synthesized or manufactured outside the plant by any other prohibited synthesis methodology, as identified by the Cannabis Regulatory Commission;

(d) greater than 0.4 milligrams combined total per container of total tetrahydrocannabinol, including tetrahydrocannabinolic acid, with any other cannabinoids that have similar effects or are marketed to have similar effects on humans or animals as tetrahydrocannabinol, as determined by the United States Secretary of Health and Human Services; or

(5) any cannabinoid product marketed, labeled, or represented as hemp that exceeds the federally defined THC level for hemp.

b. It shall be unlawful to sell, offer for sale, or distribute any intoxicating hemp beverage or any hemp-derived cannabinoid product through online retail sale.

c. It shall be unlawful to dispense, distribute, sell, or offer for sale any intoxicating hemp beverage from a vending machine. In addition to the penalties established pursuant to this section and N.J.S.2C:35-5, a person who violates this subsection shall be liable to a civil penalty of not less than \$100 for each container of any such beverage. The penalty prescribed by this section shall be collected and enforced by summary proceedings under the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).

d. (1) The sale, offer for sale, or distribution of any substance or product in violation of this section shall be subject to the same criminal penalties established for marijuana pursuant to N.J.S.2C:35-5.

(2) In addition to the penalties established pursuant to N.J.S.2C:35-5, a person who sells, offers for sale, or distributes any substance or product in violation of subsection a. of this section shall be liable to a civil penalty of not less than \$100 for the first violation, not less than \$1,000 for the second violation, and not less than \$10,000 for the third and each subsequent violation. Each day during which a violation continues shall constitute a separate and distinct offense. The penalty prescribed by this section shall be collected and enforced by summary proceedings under the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). Nothing in this section shall be construed to prohibit the imposition of multiple fines for a single violation as a penalty for the sale or distribution of more than one substance or product in violation of this section.

(3) The sale, offer for sale, or distribution of any substance or product in violation of this section shall be subject to the enforcement provisions and remedies set forth in section 9 of P.L. , c. (C.) (pending before the Legislature as this bill).

The imposition of any fine or other remedy under P.L. , c. (C.) (pending before the Legislature as this bill) shall not preclude prosecution for a violation of the criminal laws of this State.

1 9. (New section) a. The provisions of P.L. , c. (C.)
 2 (pending before the Legislature as this bill), may be enforced by State
 3 and local law enforcement agencies, State and local health and
 4 consumer protection agencies, the Division of Consumer Affairs in the
 5 Department of Law and Public Safety, and the Cannabis Regulatory
 6 Commission established pursuant to section 31 of P.L.2019, c.153
 7 (C.24:6I-24).

8 b. An official authorized by statute or ordinance to enforce the
 9 provisions of P.L. , c. (C.) (pending before the Legislature as
 10 this bill), the State or local health codes or consumer protection laws,
 11 or a law enforcement officer having enforcement authority in that
 12 municipality, may issue a summons for a violation of the provisions of
 13 P.L. , c. (C.) (pending before the Legislature as this bill), and
 14 may serve and execute all process with respect to the enforcement of
 15 this section consistent with the Rules of Court.

16 c. A law enforcement officer, local health official, or other
 17 government official from an agency authorized to enforce this section
 18 may confiscate any intoxicating hemp beverage, cannabis item,
 19 cannabis product or other substance or product that is sold, offered for
 20 sale, or distributed in violation ¹of¹ P.L. , c. (C.) (pending
 21 before the Legislature as this bill). ¹In addition, the Division of
 22 Alcoholic Beverage Control in the Department of Law and Public
 23 Safety may confiscate any intoxicating hemp beverage that is sold,
 24 offered for sale, or distributed in violation of P.L. , c. (C.)
 25 (pending before the Legislature as this bill) in accordance with the
 26 division's authority pursuant to Title 33 of the Revised Statutes,
 27 including, but not limited to, R.S.33:1-66.¹

28 d. A penalty recovered under the provisions of this section shall
 29 be recovered by and in the name of the State by the local health or
 30 consumer protection agency or other authorized government entity,
 31 which shall include, but not be limited to, the Division of Consumer
 32 Affairs in the Department of Law and Public Safety and the Cannabis
 33 Regulatory Commission established pursuant to section 31 of
 34 P.L.2019, c.153 (C.24:6I-24). With respect to an enforcement action
 35 brought by a government entity, any monetary penalty collected
 36 pursuant to P.L. , c. (C.) (pending before the Legislature as
 37 this bill) shall be deposited in the special nonlapsing fund known as
 38 the "Cannabis Regulatory, Enforcement Assistance, and Marketplace
 39 Modernization Fund," established pursuant to section 41 of P.L.2021,
 40 c.16 (C.24:6I-50). With respect to an enforcement action brought by a
 41 municipal official, half of any monetary penalty shall be paid into the
 42 treasury of the municipality in which the violation occurred for the
 43 general uses of the municipality, and half shall be deposited in the
 44 special nonlapsing fund known as the "Cannabis Regulatory,
 45 Enforcement Assistance, and Marketplace Modernization Fund,"
 46 established pursuant to section 41 of P.L.2021, c.16 (C.24:6I-50).

47 ¹Nothing in this section shall be construed to preclude the Division of

1 Alcoholic Beverage Control from pursuing enforcement actions in
2 accordance with R.S.33:1-66.¹

3 e. In addition to the civil penalties authorized under subsection d.
4 of section 8 of P.L. , c. (C.) (pending before the Legislature
5 as this bill), a business found to have committed more than two
6 violations of P.L. , c. (C.) (pending before the Legislature as
7 this bill) or found to have committed a third or subsequent violation at
8 any individual location within one year shall be deemed a public
9 nuisance. Notwithstanding any other provision of law, a municipality
10 shall have the power to impose restrictions on the operation, including
11 closure, of any business determined to constitute a public nuisance
12 pursuant to this subsection.

13 f. The provisions of P.L. , c. (C.) (pending before the
14 Legislature as this bill) shall not be construed to impose liability on
15 news media that accept or publish, or both, advertising for products or
16 services that fall within the scope of P.L. , c. (C.) (pending
17 before the Legislature as this bill).

18
19 10. (New section) a. (1) It shall be unlawful to sell or distribute
20 a product intended for human consumption that contains
21 tetrahydrocannabinol in any detectable amount to a person under 21
22 years of age.

23 (2) A violation of this section shall be subject to the same
24 penalties established in section 64 of P.L.2021, c.16 (C.2C:35-10d)
25 for the sale of any cannabis items to a person under 21 years of age.

26 b. This section shall not apply to medical cannabis dispensed to
27 registered qualifying patients who are under the age of 21 pursuant
28 to the “Jake Honig Compassionate Use Medical Cannabis Act,”
29 P.L.2009, c.307 (C.24:6I-1 et al.).

30
31 11. (New section) a. (1) Notwithstanding the provisions of
32 section 8 of P.L. , c. (C.) (pending before the Legislature
33 as this bill), the holder of any valid and unrevoked plenary
34 wholesale license or plenary retail distribution license, as such
35 terms are defined in R.S.33:1-11 and R.S.33:1-12, may sell
36 intoxicating hemp beverages until November 13, 2026; after which
37 date, the holder shall be subject to the penalties and prohibitions
38 established in section 8 of P.L. , c. (C.) (pending before
39 the Legislature as this bill).

40 (2) Notwithstanding the provisions of section 8 of P.L. , c.
41 (C.) (pending before the Legislature as this bill), a person or
42 entity that is licensed by the Cannabis Regulatory Commission in
43 accordance with P.L.2021, c.16 (C.24:6I-31 et al.) may sell
44 intoxicating hemp beverages until November 13, 2026, after which
45 date, the person or entity shall be subject to the penalties and
46 prohibitions established in section 8 of P.L. , c. (C.)
47 (pending before the Legislature as this bill).

1 b. (1) (a) Any intoxicating hemp beverage distributed, sold, or
2 offered for sale in this State pursuant to paragraph (1) of subsection
3 a. of this section shall be stored or displayed in a place that is not
4 accessible to customers without the assistance of an employee of
5 the establishment.

6 (b) Notwithstanding subparagraph (a) of this paragraph,
7 intoxicating hemp beverages sold, distributed, or offered for sale
8 pursuant to subparagraph (1) of subsection a. of this section may be
9 stored or displayed in a place accessible to customers and may be
10 accessed without the assistance of an employee of the establishment
11 only if:

12 (i) the establishment posts conspicuous notice at the place of
13 storage or display indicating to customers that the products are
14 intoxicating hemp beverage beverages and may only be purchased
15 by a person 21 years of age or older;

16 (ii) the establishment actively monitors the place of storage or
17 display;

18 (iii) an employee of the establishment confirms at the point of
19 sale that the customer is 21 years of age or older and understands
20 that they are purchasing an intoxicating hemp beverage; and

21 (iv) the establishment complies with any other requirements as
22 may be established by rule by the Division of Alcoholic Beverage
23 Control, in consultation with the Cannabis Regulatory Commission.

24 c. (1) The provisions of Title 33 of the Revised Statutes and
25 the rules and regulations promulgated thereunder shall apply to the
26 sale or distribution of intoxicating hemp beverages by any person or
27 entity licensed pursuant to the provisions of Title 33 of the Revised
28 Statutes;

29 (2) Nothing contained in P.L. , c. (C.) (pending before
30 the Legislature as this bill) shall be construed to preclude the
31 Division of Alcoholic Beverage Control from exercising the
32 authority to enforce the rules and regulations governing activities
33 taken by licensees on licensed premises or from taking disciplinary
34 action against a licensee under Title 33 of the Revised Statutes
35 based upon a determination by the division that the licensee
36 committed a violation of P.L. , c. (C.) (pending before the
37 Legislature as this bill).

38
39 12. (New section) a. (1) Except as provided in section 11 of
40 P.L. , c. (C.) (pending before the Legislature as this bill), on
41 or after ¹**March** April¹ 13, 2026, any person or entity that sells,
42 offers for sale, or distributes an intoxicating hemp beverage shall be
43 subject to the penalties established pursuant to section 8 of
44 P.L. , c. (C.) (pending before the Legislature as this bill).

45 (2) On or after November 13, 2026, the sale, offer for sale, or
46 distribution of an intoxicating hemp beverage by any person or entity
47 shall be subject to the penalties established in section 8 of
48 P.L. , c. (C.) (pending before the Legislature as this bill).

1 b. (1) On or after ¹【March】 April¹ 13, 2026, an intoxicating
2 hemp beverage sold, offered for sale, or distributed in accordance with
3 sections 11 of P.L. , c. (C.) (pending before the Legislature as
4 this bill) may not contain more than 5 milligrams of total
5 tetrahydrocannabinol per serving or not more than 10 milligrams of
6 total tetrahydrocannabinol per container.

7 (2) A certificate of analysis prepared by a laboratory that meets
8 the requirements of paragraph (3) of this subsection shall accompany
9 the sale or distribution of any intoxicating hemp beverage sold or
10 distributed on or after ¹【March】 April¹ 13, 2026 and shall certify that
11 the product contains no more than 5 milligrams of total
12 tetrahydrocannabinol per serving or no more than 10 milligrams of
13 total tetrahydrocannabinol per container.

14 (3) The certificate of analysis required pursuant to paragraph (2) of
15 this subsection shall be prepared by an independent testing laboratory
16 that complies with the testing established by the commission, provided
17 that such laboratory shall be registered with the Drug Enforcement
18 Administration in the United States Department of Justice and ISO
19 17025 accredited for all analytes required by the commission.

20 c. The sale of an intoxicating hemp beverage without a certificate
21 of analysis or in excess of the milligram limitations established in
22 paragraph (2) of subsection b. of this section shall be liable for a civil
23 penalty of not less than \$100 for each container. The penalty
24 prescribed by this section shall be collected and enforced by summary
25 proceedings under the “Penalty Enforcement Law of 1999,” P.L.1999,
26 c.274 (C.2A:58-10 et seq.).

27
28 13. (New section) a. ¹【On or after April 1, 2026, there】 There¹ is
29 hereby levied and imposed an excise tax in the amount of \$3.75 per
30 gallon upon the wholesale sale of any intoxicating hemp beverages
31 within this State or upon any delivery of intoxicating hemp beverages
32 made to a location within this State.

33 b. The revenue generated from the fees imposed in accordance
34 with this section shall be paid to the State Treasurer for deposit in the
35 General Fund.

36
37 14. (New section) Nothing in P.L. , c. (C.) (pending
38 before the Legislature as this bill) shall be construed to prohibit the
39 transportation or shipment of hemp or hemp-derived cannabinoid
40 products in this State as authorized pursuant to subtitle G of the
41 Agricultural Marketing Act of 1946, 7 U.S.C. s.1639o et seq.; or
42 alter or otherwise affect the lawful activities of a hemp producer or
43 its agent as authorized by the Department of Agriculture to
44 cultivate, handle, or process hemp or hemp-derived cannabinoid
45 products, pursuant to the “New Jersey Hemp Farming Act,”
46 P.L.2019, c.238 (C.4:28-6 et al.), which are subject to the
47 department’s statutory or regulatory authority, established under
48 that act, and include, but are not limited to, the cultivation,

1 handling, and processing by such producers and agents of hemp that
2 conforms to pre- and post-harvest THC content limits established
3 pursuant to 7 U.S.C. s.1639o.
4

5 15. (New section) As soon as practicable, the Attorney General,
6 in consultation with the Cannabis Regulatory Commission and the
7 Division of Alcoholic Beverage Control, shall develop and issue
8 guidelines for law enforcement agencies related to the enforcement
9 of the provisions of P.L. , c. (C.) (pending before the
10 Legislature as this bill).

11 Such guidelines shall include, but not be limited to, procedures
12 for coordination between municipal and State law enforcement
13 agencies and regulatory agencies.
14

15 16. The following section is repealed:

16 Section 4 of P.L.2024, c.73 (C.24:6I-48.1);

17 Section 5 of P.L.2024, c.73 (C.24:6I-48.2);

18 Section 8 of P.L.2024, c.73 (C.24:6I-48.3); and

19 Section 11 of P.L.2024, c.73 (C.24:6I-48.4).
20

21 17. This act shall take effect on January 13, 2026, except that:

22 a. ¹~~Section~~ Section¹ 11 shall expire upon the effective date of
23 section 781 of Pub.L.119-37, November 13, 2026; and

24 b. ¹~~Section~~ Section¹ 13 shall take effect ¹~~April 1, 2026~~ on
25 April 13, 2026¹. The Division of Taxation in the Department of the
26 Treasury may take such anticipatory action as necessary to effectuate
27 the provisions of P.L. , c. (C.) (pending before the Legislature
28 as this bill).
29
30
31
32

33 Creates regulatory scheme, in line with federal law, on sale of
34 certain hemp-derived cannabinoid products; repeals law concerning
35 intoxicating hemp.