

[Third Reprint]

SENATE, No. 3235

STATE OF NEW JERSEY
221st LEGISLATURE

INTRODUCED MAY 13, 2024

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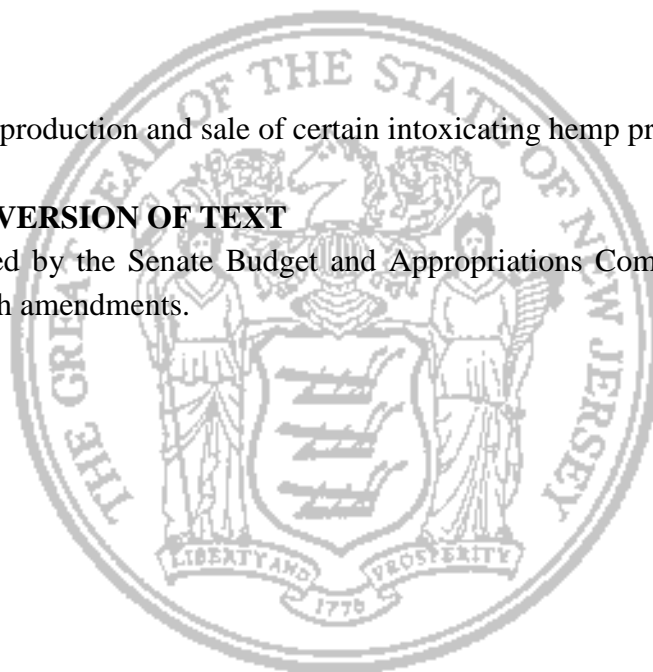
Senators Turner, McKnight, Assemblywomen Speight, Quijano and Carter

SYNOPSIS

Regulates production and sale of certain intoxicating hemp products.

CURRENT VERSION OF TEXT

As reported by the Senate Budget and Appropriations Committee on June 26, 2024, with amendments.



(Sponsorship Updated As Of: 6/28/2024)

1 AN ACT concerning intoxicating hemp products, supplementing
2 Title 24 of the New Jersey Statutes, and amending various
3 sections of statutory law.

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

7
8 1. Section 3 of P.L.2019, c.238 (C.4:28-8) is amended to read as
9 follows:

10 3. As used in sections 1 through 9 of P.L.2019, c.238 (C.4:28-6 et
11 al.), unless the context otherwise requires:

12 "Agent" means an employee or contractor of a hemp producer.

13 "Applicant" means a person, or for a business entity, any person
14 authorized to act on behalf of the business entity, who applies to the
15 department to be a hemp producer in the State.

16 "Commercial sale" means the sale of a product in the stream of
17 commerce at retail, at wholesale, or on the Internet.

18 "Cultivate" means to plant, water, grow, or harvest a plant or crop.

19 "Department" means the New Jersey Department of Agriculture.

20 "Federally defined THC level for hemp" means a delta-9
21 tetrahydrocannabinol concentration of not more than 0.3 percent on a
22 dry weight basis for hemp or in a hemp product.

23 "Handle" means to possess or store a hemp plant on premises
24 owned, operated, or controlled by a hemp producer for any period of
25 time or in a vehicle for any period of time other than during the actual
26 transport of the plant between premises owned, operated, or controlled
27 by hemp producers or persons or entities authorized to produce hemp
28 pursuant to 7 U.S.C. s.1639o et seq. and any state law or rule or
29 regulation adopted pursuant thereto. "Handle" does not mean
30 possession or storage of finished hemp products.

31 "Hemp" means the plant *Cannabis sativa* L. and any part of that
32 plant, including the seeds of the plant and all derivatives, extracts,
33 cannabinoids, isomers, acids, salts, and salts of isomers, whether
34 growing or not, with a **[delta-9]** total tetrahydrocannabinol
35 concentration of not more than 0.3 percent on a dry weight basis.
36 Hemp and hemp-derived cannabinoids, including cannabidiol, shall be
37 considered an agricultural commodity and not a controlled substance
38 due to the presence of hemp or hemp-derived cannabinoids.

39 "Hemp producer" means a person or business entity authorized by
40 the department to cultivate, handle, or process hemp in the State.

41 "Hemp product" means a finished product with a **[delta-9]** total
42 tetrahydrocannabinol concentration of not more than 0.3 percent, and
43 not more than 0.5 milligrams of total THC per serving and 2.5

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SJU committee amendments adopted May 16, 2024.

²Senate SBA committee amendments adopted June 24, 2024.

³Senate SBA committee amendments adopted June 26, 2024.

1 milligrams of total THC per package, that is derived from or made by
2 processing a hemp plant or plant part and prepared in a form available
3 for commercial sale. The term includes cosmetics, personal care
4 products, food intended for human or animal consumption, cloth,
5 cordage, fiber, fuel, paint, paper, particleboard, plastics, and any
6 product containing one or more hemp-derived cannabinoids such as
7 cannabidiol. Hemp products shall not be considered controlled
8 substances due to the presence of hemp or hemp-derived cannabinoids.
9 "Hemp product" shall not mean a cannabinoid product that is not
10 derived from naturally occurring biologically active chemical
11 constituents and shall not mean an intoxicating hemp product as
12 defined in section 3 of P.L.2021, c.16 (C.24:6I-33).

13 "Process" means to convert hemp into a marketable form.

14 "Secretary" means the Secretary of the New Jersey Department of
15 Agriculture.

16 "Transport" means the movement or shipment of hemp by a hemp
17 producer, a person or entity authorized to produce hemp pursuant to 7
18 U.S.C. s.1639o et seq. and any state law or rule or regulation adopted
19 pursuant thereto, or a hemp producer's or authorized entity's third-
20 party carrier or agent. "Transport" shall not mean the movement or
21 shipment of hemp products.

22 "Total THC" means the total concentration of all
23 tetrahydrocannabinols in ¹[a cannabis item] hemp or a
24 hemp product¹, including delta-8, delta-9, delta-10,
25 tetrahydrocannabinolic acid and any other chemically similar
26 compound, substance, derivative, or isomer of tetrahydrocannabinol,
27 regardless of how derived or manufactured, and any other
28 cannabinoid, other than cannabidiol, identified by the Cannabis
29 Regulatory Commission, in consultation with the Department of
30 Agriculture and the Attorney General, as causing intoxication.

31 (cf: P.L.2019, c.238, s.3)

32

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

35 3. Definitions.

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

38 "Alternative treatment center" means an organization issued a
39 permit pursuant to the "Jake Honig Compassionate Use Medical
40 Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) to operate as a
41 medical cannabis cultivator, medical cannabis manufacturer,
42 medical cannabis dispensary, or clinical registrant, as well as any
43 alternative treatment center deemed pursuant to section 7 of that act
44 (C.24:6I-7) to concurrently hold a medical cannabis cultivator
45 permit, a medical cannabis manufacturer permit, and a medical
46 cannabis dispensary permit.

47 "Cannabis" means all parts of the plant *Cannabis sativa* L.,
48 whether growing or not, the seeds thereof, and every compound,

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

21 "Cannabis consumption area" means, as further described in
22 section 28 of P.L.2019, c.153 (C.24:6I-21), a designated location
23 operated by a licensed cannabis retailer or permit holder for
24 dispensing medical cannabis, for which both a State and local
25 endorsement has been obtained, that is either: (1) an indoor,
26 structurally enclosed area of the cannabis retailer or permit holder
27 that is separate from the area in which retail sales of cannabis items
28 or the dispensing of medical cannabis occurs; or (2) an exterior
29 structure on the same premises as the cannabis retailer or permit
30 holder, either separate from or connected to the cannabis retailer or
31 permit holder, at which cannabis items or medical cannabis either
32 obtained from the retailer or permit holder, or brought by a person
33 to the consumption area, may be consumed.

34 "Cannabis cultivator" means any licensed person or entity that
35 grows, cultivates, or produces cannabis in this State, and sells, and
36 may transport, this cannabis to other cannabis cultivators, or usable
37 cannabis to cannabis manufacturers, cannabis wholesalers, or
38 cannabis retailers, but not to consumers. This person or entity shall
39 hold a Class 1 Cannabis Cultivator license.

40 "Cannabis delivery service" means any licensed person or entity
41 that provides courier services for consumer purchases of cannabis
42 items and related supplies fulfilled by a cannabis retailer in order to
43 make deliveries of the cannabis items and related supplies to that
44 consumer, and which services include the ability of a consumer to
45 purchase the cannabis items directly through the cannabis delivery
46 service, which after presenting the purchase order to the cannabis
47 retailer for fulfillment, is delivered to that consumer. This person
48 or entity shall hold a Class 6 Cannabis Delivery license.

1 "Cannabis distributor" means any licensed person or entity that
2 transports cannabis in bulk intrastate from one licensed cannabis
3 cultivator to another licensed cannabis cultivator, or transports
4 cannabis items in bulk intrastate from any one class of licensed
5 cannabis establishment to another class of licensed cannabis
6 establishment, and may engage in the temporary storage of cannabis
7 or cannabis items as necessary to carry out transportation activities.
8 This person or entity shall hold a Class 4 Cannabis Distributor
9 license.

10 "Cannabis establishment" means a cannabis cultivator, a
11 cannabis manufacturer, a cannabis wholesaler, or a cannabis
12 retailer.

13 "Cannabis extract" means a substance obtained by separating
14 resins from cannabis by: (1) a chemical extraction process using a
15 hydrocarbon-based solvent, such as butane, hexane, or propane; (2)
16 a chemical extraction process using the hydrocarbon-based solvent
17 carbon dioxide, if the process uses high heat or pressure; or (3) any
18 other process identified by the Cannabis Regulatory Commission by
19 rule or regulation.

20 "Cannabis flower" means the flower of the plant *Cannabis sativa*
21 L. within the plant family Cannabaceae.

22 "Cannabis item" means any usable cannabis, cannabis product,
23 cannabis extract, intoxicating hemp product, and any other cannabis
24 resin. "Cannabis item" does not include: any form of medical
25 cannabis dispensed to registered qualifying patients pursuant to the
26 "Jake Honig Compassionate Use Medical Cannabis Act," P.L.2009,
27 c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et
28 al.); or hemp or a hemp product cultivated, handled, processed,
29 transported, or sold pursuant to the "New Jersey Hemp Farming
30 Act," P.L.2019, c.238 (C.4:28-6 et al.).

31 "Cannabis leaf" means the leaf of the plant *Cannabis sativa* L.
32 within the plant family Cannabaceae.

33 "Cannabis manufacturer" means any licensed person or entity
34 that processes cannabis items in this State by purchasing or
35 otherwise obtaining usable cannabis, manufacturing, preparing, and
36 packaging cannabis items, and selling, and optionally transporting,
37 these items to other cannabis manufacturers, cannabis wholesalers,
38 or cannabis retailers, but not to consumers. This person or entity
39 shall hold a Class 2 Cannabis Manufacturer license."

40 "Cannabis paraphernalia" means any equipment, products, or
41 materials of any kind which are used, intended for use, or designed
42 for use in planting, propagating, cultivating, growing, harvesting,
43 composting, manufacturing, compounding, converting, producing,
44 processing, preparing, testing, analyzing, packaging, repackaging,
45 storing, vaporizing, or containing cannabis, or for ingesting,
46 inhaling, or otherwise introducing a cannabis item into the human
47 body. "Cannabis paraphernalia" does not include drug
48 paraphernalia as defined in N.J.S.2C:36-1 and which is used or

1 intended for use to commit a violation of chapter 35 or 36 of Title
2 2C of the New Jersey Statutes.

3 "Cannabis product" means a product containing usable cannabis,
4 cannabis extract, or any other cannabis resin and other ingredients
5 intended for human consumption or use, including a product
6 intended to be applied to the skin or hair, edible cannabis products,
7 ointments, and tinctures. "Cannabis product" does not include: (1)
8 usable cannabis by itself; or (2) cannabis extract by itself; or (3) any
9 other cannabis resin by itself.

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

26 "Cannabis retailer" means any licensed person or entity that
27 purchases or otherwise obtains usable cannabis from cannabis
28 cultivators and cannabis items from cannabis manufacturers or
29 cannabis wholesalers, and sells these to consumers from a retail
30 store, and may use a cannabis delivery service or a certified
31 cannabis handler for the off-premises delivery of cannabis items
32 and related supplies to consumers. A cannabis retailer shall also
33 accept consumer purchases to be fulfilled from its retail store that
34 are presented by a cannabis delivery service which will be delivered
35 by the cannabis delivery service to that consumer. This person or
36 entity shall hold a Class 5 Cannabis Retailer license.

37 "Cannabis testing facility" means an independent, third-party
38 entity meeting accreditation requirements established by the
39 Cannabis Regulatory Commission that is licensed to analyze and
40 certify cannabis items and medical cannabis for compliance with
41 applicable health, safety, and potency standards.

42 "Cannabis wholesaler" means any licensed person or entity that
43 purchases or otherwise obtains, stores, sells or otherwise transfers,
44 and may transport, cannabis items for the purpose of resale or other
45 transfer to either another cannabis wholesaler or to a cannabis
46 retailer, but not to consumers. This person or entity shall hold a
47 Class 3 Cannabis Wholesaler license.

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

3 "Conditional license" means a temporary license designated as
4 either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis
5 Manufacturer license, a Class 3 Cannabis Wholesaler license, a
6 Class 4 Cannabis Distributor license, a Class 5 Cannabis Retailer
7 license, or a Class 6 Cannabis Delivery license that allows the
8 holder to lawfully act as a cannabis cultivator, cannabis
9 manufacturer, cannabis wholesaler, cannabis distributor, cannabis
10 retailer, or cannabis delivery service as the case may be, which is
11 issued pursuant to an abbreviated application process, after which
12 the conditional license holder shall have a limited period of time in
13 which to become fully licensed by satisfying all of the remaining
14 conditions for licensure which were not required for the issuance of
15 the conditional license.

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

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

22 "Delivery" means the transportation of cannabis items and
23 related supplies to a consumer. "Delivery" also includes the use by
24 a licensed cannabis retailer of any third party technology platform
25 to receive, process, and fulfill orders by consumers, which third
26 party shall not be required to be a licensed cannabis establishment,
27 distributor, or delivery service, provided that any physical acts in
28 connection with fulfilling the order and delivery shall be
29 accomplished by a certified cannabis handler performing work for
30 or on behalf of the licensed cannabis retailer, which includes a
31 certified cannabis handler employed or otherwise working on behalf
32 of a cannabis delivery service making off-premises deliveries of
33 consumer purchases fulfilled by that cannabis retailer.

34 "Department" means the Department of Health.

35 "Director" means the Director of the Office of Minority,
36 Disabled Veterans, and Women Cannabis Business Development in
37 the Cannabis Regulatory Commission.

38 "Executive director" means the executive director of the
39 Cannabis Regulatory Commission.

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

43 "Immature cannabis plant" means a cannabis plant that is not
44 flowering.

45 "Impact zone" means any municipality, based on past criminal
46 marijuana enterprises contributing to higher concentrations of law
47 enforcement activity, unemployment, and poverty, or any

1 combination thereof, within parts of or throughout the municipality,
2 that:

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

6 (2) based upon data for calendar year 2019, ranks in the top 40
7 percent of municipalities in the State for marijuana- or hashish-
8 related arrests for violation of paragraph (4) of subsection a. of
9 N.J.S.2C:35-10; has a crime index total of 825 or higher based upon
10 the indexes listed in the annual Uniform Crime Report by the
11 Division of State Police; and has a local average annual
12 unemployment rate that ranks in the top 15 percent of all
13 municipalities, based upon average annual unemployment rates
14 estimated for the relevant calendar year by the Office of Research
15 and Information in the Department of Labor and Workforce
16 Development;

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

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

27 (a) with a population of less than 60,000 according to the most
28 recently compiled federal decennial census, that for calendar year
29 2019 ranks in the top 40 percent of municipalities in the State for
30 marijuana- or hashish-related arrests for violation of paragraph (4)
31 of subsection a. of N.J.S.2C:35-10; has a crime index total of 1,000
32 or higher based upon the indexes listed in the 2019 annual Uniform
33 Crime Report by the Division of State Police; but for calendar year
34 2019 does not have a local average annual unemployment rate that
35 ranks in the top 15 percent of all municipalities, based upon average
36 annual unemployment rates estimated for the relevant calendar year
37 by the Office of Research and Information in the Department of
38 Labor and Workforce Development; or

39 (b) with a population of not less than 60,000 or more than
40 80,000 according to the most recently compiled federal decennial
41 census; has a crime index total of 650 or higher based upon the
42 indexes listed in the 2019 annual Uniform Crime Report; and for
43 calendar year 2019 has a local average annual unemployment rate
44 of 3.0 percent or higher using the same estimated annual
45 unemployment rates.

46 “Intoxicating hemp product” means any product cultivated,
47 derived, or manufactured ³in this State³ from hemp regulated
48 pursuant to the “Agricultural Improvement Act of 2018.”

1 Pub.L.115-334 or the “New Jersey Hemp Farming Act,” P.L.2019,
2 c.238 (C.4:28-6 et al.) that is sold in this State that has a
3 concentration of total THC greater than 0.5 milligrams per serving
4 or 2.5 milligrams per package. “Intoxicating hemp product” shall
5 not include a cannabinoid product that is not derived from naturally
6 occurring biologically active chemical constituents and shall not
7 include hemp products as defined in section 3 of P.L.2019, c.238
8 (C.4:28-8).

9 "License" means a license issued under P.L.2021, c.16 (C.24:6I-
10 31 et al.), including a license that is designated as either a Class 1
11 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer
12 license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis
13 Distributor license, a Class 5 Cannabis Retailer license, or a Class 6
14 Cannabis Delivery license. The term includes a conditional license
15 for a designated class, except when the context of the provisions of
16 P.L.2021, c.16 (C.24:6I-31 et al.) otherwise intend to only apply to
17 a license and not a conditional license.

18 "Licensee" means a person or entity that holds a license issued
19 under P.L.2021, c.16 (C.24:6I-31 et al.), including a license that is
20 designated as either a Class 1 Cannabis Cultivator license, a Class 2
21 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler
22 license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis
23 Retailer license, or a Class 6 Cannabis Delivery license, and
24 includes a person or entity that holds a conditional license for a
25 designated class, except when the context of the provisions of
26 P.L.2021, c.16 (C.24:6I-31 et al.) otherwise intend to only apply to
27 a person or entity that holds a license and not a conditional license.

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

31 "Manufacture" means the drying, processing, compounding, or
32 conversion of usable cannabis into cannabis products or cannabis
33 resins. "Manufacture" does not include packaging or labeling.

34 "Mature cannabis plant" means a cannabis plant that is not an
35 immature cannabis plant.

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

43 "Microbusiness" means a person or entity licensed under
44 P.L.2021, c.16 (C.24:6I-31 et al.) as a cannabis cultivator, cannabis
45 manufacturer, cannabis wholesaler, cannabis distributor, cannabis
46 retailer, or cannabis delivery service that may only, with respect to
47 its business operations, and capacity and quantity of product: (1)
48 employ no more than 10 employees; (2) operate a cannabis

1 establishment occupying an area of no more than 2,500 square feet,
2 and in the case of a cannabis cultivator, grow cannabis on an area
3 no more than 2,500 square feet measured on a horizontal plane and
4 grow above that plane not higher than 24 feet; (3) possess no more
5 than 1,000 cannabis plants each month, except that a cannabis
6 distributor's possession of cannabis plants for transportation shall
7 not be subject to this limit; (4) acquire each month, in the case of a
8 cannabis manufacturer, no more than 1,000 pounds of usable
9 cannabis; (5) acquire for resale each month, in the case of a
10 cannabis wholesaler, no more than 1,000 pounds of usable cannabis,
11 or the equivalent amount in any form of manufactured cannabis
12 product or cannabis resin, or any combination thereof; and (6)
13 acquire for retail sale each month, in the case of a cannabis retailer,
14 no more than 1,000 pounds of usable cannabis, or the equivalent
15 amount in any form of manufactured cannabis product or cannabis
16 resin, or any combination thereof.

17 "Noncommercial" means not dependent or conditioned upon the
18 provision or receipt of financial consideration.

19 "Premises" or "licensed premises" includes the following areas
20 of a location licensed under P.L.2021, c.16 (C.24:6I-31 et al.): all
21 public and private enclosed areas at the location that are used in the
22 business operated at the location, including offices, kitchens, rest
23 rooms, and storerooms; all areas outside a building that the
24 Cannabis Regulatory Commission has specifically licensed for the
25 production, manufacturing, wholesaling, distributing, retail sale, or
26 delivery of cannabis items; and, for a location that the commission
27 has specifically licensed for the production of cannabis outside a
28 building, the entire lot or parcel that the licensee owns, leases, or
29 has a right to occupy.

30 "Produce" means the planting, cultivation, growing or harvesting
31 of cannabis. "Produce" does not include the drying of cannabis by a
32 cannabis manufacturer, if the cannabis manufacturer is not
33 otherwise manufacturing cannabis.

34 "Public place" means any place to which the public has access
35 that is not privately owned; or any place to which the public has
36 access where alcohol consumption is not allowed, including, but not
37 limited to, a public street, road, thoroughfare, sidewalk, bridge,
38 alley, plaza, park, playground, swimming pool, shopping area,
39 public transportation facility, vehicle used for public transportation,
40 parking lot, public library, or any other public building, structure, or
41 area.

42 "Radio" means a system for transmitting sound without visual
43 images, and includes broadcast, cable, on-demand, satellite, or
44 Internet programming. "Radio" includes any audio programming
45 downloaded or streamed via the Internet.

46 "Significantly involved person" means a person or entity who
47 holds at least a five percent investment interest in a proposed or
48 licensed cannabis cultivator, cannabis manufacturer, cannabis

1 wholesaler, cannabis distributor, cannabis retailer, or cannabis
2 delivery service, or who is a decision making member of a group
3 that holds at least a 20 percent investment interest in a proposed or
4 licensed cannabis cultivator, cannabis manufacturer, cannabis
5 wholesaler, cannabis distributor, cannabis retailer, or cannabis
6 delivery service, in which no member of that group holds more than
7 a five percent interest in the total group investment interest, and the
8 person or entity makes controlling decisions regarding the proposed
9 or licensed cannabis cultivator, cannabis manufacturer, cannabis
10 wholesaler, cannabis distributor, cannabis retailer, or cannabis
11 delivery service operations.

12 "Television" means a system for transmitting visual images and
13 sound that are reproduced on screens, and includes broadcast, cable,
14 on-demand, satellite, or Internet programming. "Television"
15 includes any video programming downloaded or streamed via the
16 Internet.

17 "THC" means delta-9-tetrahydrocannabinol and its precursor,
18 tetrahydrocannabinolic acid, the main psychoactive chemicals
19 contained in the cannabis plant.

20 "Total THC" means the total concentration of all
21 tetrahydrocannabinols in ¹[a cannabis item] hemp or a hemp
22 product¹, including delta-8, delta-9, delta-10,
23 tetrahydrocannabinolic acid and any other chemically similar
24 compound, substance, derivative, or isomer of
25 tetrahydrocannabinol, regardless of how derived or manufactured,
26 and any other cannabinoid, other than cannabidiol, identified by the
27 Cannabis Regulatory Commission, in consultation with the
28 Department of Agriculture and the Attorney General, as causing
29 intoxication.

30 "Usable cannabis" means the dried leaves and flowers of the
31 female plant Cannabis sativa L., and does not include the seedlings,
32 seeds, stems, stalks, or roots of the plant.

33 (cf: P.L.2021, c.16, s.3)

34

35 3. Section 5 of P.L.1970, c.226 (C.24:21-5) is amended to read
36 as follows:

37 5. a. Tests. The director shall place a substance in
38 Schedule I if he finds that the substance: (1) has high potential for
39 abuse; and (2) has no accepted medical use in treatment in the
40 United States; or lacks accepted safety for use in treatment under
41 medical supervision.

42 b. The controlled dangerous substances listed in this section are
43 included in Schedule I, subject to any revision and republishing by
44 the director pursuant to subsection d. of section 3 of P.L.1970,
45 c.226 (C.24:21-3), and except to the extent provided in any other
46 schedule.

47 c. Any of the following opiates, including their isomers, esters,
48 and ethers, unless specifically excepted, whenever the existence of

1 such isomers, esters, ethers and salts is possible within the specific
2 chemical designation:

- 3 (1) Acetylmethadol
- 4 (2) Allylprodine
- 5 (3) Alphacetylmethadol
- 6 (4) Alphameprodine
- 7 (5) Alphamethadol
- 8 (6) Benzethidine
- 9 (7) Betacetylmethadol
- 10 (8) Betameprodine
- 11 (9) Betamethadol
- 12 (10) Betaprodine
- 13 (11) Clonitazene
- 14 (12) Dextromoramide
- 15 (13) Dextrophan
- 16 (14) Diampromide
- 17 (15) Diethylthiambutene
- 18 (16) Dimenoxadol
- 19 (17) Dimepheptanol
- 20 (18) Dimethylthiambutene
- 21 (19) Dioxaphetyl butyrate
- 22 (20) Dipipanone
- 23 (21) Ethylmethylthiambutene
- 24 (22) Etonitazene
- 25 (23) Etoxeridine
- 26 (24) Furethidine
- 27 (25) Hydroxypethidine
- 28 (26) Ketobemidone
- 29 (27) Levomoramide
- 30 (28) Levophenacylmorphane
- 31 (29) Morpheridine
- 32 (30) Noracetylmethadol
- 33 (31) Norlevorphanol
- 34 (32) Normethadone
- 35 (33) Norpipanone
- 36 (34) Phenadoxone
- 37 (35) Phenampromide
- 38 (36) Phenomorphan
- 39 (37) Phenoperidine
- 40 (38) Piritramide
- 41 (39) Proheptazine
- 42 (40) Properidine
- 43 (41) Racemoramide
- 44 (42) Trimeperidine.

45 d. Any of the following narcotic substances, their salts, isomers
46 and salts of isomers, unless specifically excepted, whenever the
47 existence of such salts, isomers and salts of isomers is possible
48 within the specific chemical designation:

- 1 (1) Acetorphine
- 2 (2) Acetylcodeine
- 3 (3) Acetyldihydrocodeine
- 4 (4) Benzylmorphine
- 5 (5) Codeine methylbromide
- 6 (6) Codeine-N-Oxide
- 7 (7) Cyprenorphine
- 8 (8) Desomorphine
- 9 (9) Dihydromorphine
- 10 (10) Etorphine
- 11 (11) Heroin
- 12 (12) Hydromorphanol
- 13 (13) Methyldesorphine
- 14 (14) Methylhydromorphine
- 15 (15) Morphine methylbromide
- 16 (16) Morphine methylsulfonate
- 17 (17) Morphine-N-Oxide
- 18 (18) Myorphine
- 19 (19) Nicocodeine
- 20 (20) Nicomorphine
- 21 (21) Normorphine
- 22 (22) Phocloine
- 23 (23) Thebacon.

24 e. Any material, compound, mixture or preparation which
25 contains any quantity of the following hallucinogenic substances,
26 their salts, isomers and salts of isomers, unless specifically
27 excepted, whenever the existence of such salts, isomers, and salts of
28 isomers is possible within the specific chemical designation:

- 29 (1) 3,4-methylenedioxy amphetamine
- 30 (2) 5-methoxy-3,4-methylenedioxy amphetamine
- 31 (3) 3,4,5-trimethoxy amphetamine
- 32 (4) Bufotenine
- 33 (5) Diethyltryptamine
- 34 (6) Dimethyltryptamine
- 35 (7) 4-methyl-2,5-dimethoxylamphetamine
- 36 (8) Ibogaine
- 37 (9) Lysergic acid diethylamide

38 (10) **【Marihuana】** Marijuana; except that on and after the
39 effective date of the "New Jersey Cannabis Regulatory,
40 Enforcement Assistance, and Marketplace Modernization Act,"
41 P.L.2021, c.16 (C.24:6I-31 et al.), **【marihuana】** marijuana shall no
42 longer be included in Schedule I, and shall not be designated or
43 rescheduled and included in any other schedule by the director
44 pursuant to the director's designation and rescheduling authority set
45 forth in section 3 of P.L.1970, c.226 (C.24:21-3).

- 46 (11) Mescaline
- 47 (12) Peyote
- 48 (13) N-ethyl-3-piperidyl benzilate

- 1 (14) N-methyl-3-piperidyl benzilate
2 (15) Psilocybin
3 (16) Psilocyn
4 (17) Tetrahydrocannabinols, including those produced by way of
5 manufacture, except when found in hemp or a hemp product
6 cultivated, handled, processed, transported, or sold pursuant to the
7 "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.),
8 or cannabis or a cannabis item, as those terms are defined in section
9 3 of P.L.2021, c.16 (C.24:6I-33), that is grown, cultivated,
10 produced, **[or]** manufactured, or sold in accordance with the "New
11 Jersey Cannabis Regulatory, Enforcement Assistance, and
12 Marketplace Modernization Act," P.L.2021, c.16 (C.24:6I-31 et al.).
13 (cf: P.L.2021, c.16, s.44)

14
15 4. (New section) a. A person shall not sell or distribute any
16 intoxicating hemp product unless:

17 (1) the person is licensed by the Cannabis Regulatory
18 Commission in accordance with P.L.2021, c.16 (C.24:6I-31 et al.);
19 ²or

20 (2) the person is a holder of any valid and unrevoked ³plenary
21 wholesale license or ³ plenary retail distribution license, as ³those
22 terms are ³ defined in ³R.S.33:1-11 and ³ R.S.33:1-12, and is
23 approved by the commission to sell intoxicating hemp beverages in
24 accordance with section 5 of P.L. , c. (C.) (pending before
25 the Legislature as this bill);² and

26 ²**[(2)] (3)²** the product complies with the provisions of
27 P.L.2021, c.16 (C.24:6I-31 et al.) and any ²**[applicable commission**
28 **regulations applicable to cannabis items]** rules or regulations
29 adopted pursuant thereto².

30 b. (1) It shall be unlawful to sell or distribute a hemp product
31 or cannabis item that is not derived from naturally occurring
32 biologically active chemical constituents.

33 (2) Except as otherwise provided by law, it shall be unlawful to
34 sell or distribute a product intended for human consumption that
35 contains tetrahydrocannabinol in any detectable amount to a person
36 under 21 years of age.

37 c. In addition to any other penalty provided by law, any person
38 licensed by the commission ², or any person approved by the
39 commission to sell intoxicating hemp beverages pursuant to section
40 5 of P.L. , c. (C.) (pending before the Legislature as this
41 bill),² who violates subsection a. or b. of this section shall be
42 subject to any civil penalties or fines adopted by the commission in
43 accordance with P.L.2021, c.16 (C.24:6I-31 et al.).

44 d. (1) Notwithstanding any provision of the "Administrative
45 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), ²or
46 subsection d. of section 5 of P.L. , c. (C.) (pending before
47 the Legislature as this bill)² to the contrary, and in accordance with

1 the authority established pursuant to section 18 of P.L.2021, c.16
2 (C.24:6I-35), the commission, in consultation with the Department
3 of Agriculture and the Attorney General, and within 180 days of the
4 effective date of P.L. , c. (C.) (pending before the
5 Legislature as this bill), is authorized to adopt immediately upon
6 filing with the Office of Administrative Law rules and regulations
7 necessary to implement this act.

8 (2) Following any rules or regulations established by the
9 commission in accordance with subparagraph (1) of this subsection,
10 the commission shall, in consultation the Department of Agriculture
11 and the Attorney General, and in accordance with the
12 “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et
13 seq.), adopt rules and regulations as necessary to implement the
14 provisions of P.L. , c. (C.) (pending before the Legislature
15 as this bill).

16 e. (1) Nothing in P.L. , c. (C.) (pending before the
17 Legislature as this bill) shall be construed or interpreted to limit the
18 enforceability or applicability of the “Agriculture Improvement Act
19 of 2018,” Pub.L.115-334 or the “New Jersey Hemp Farming Act,”
20 P.L.2019, c.238 (C.4:28-6 et al.).

21 (2) ²The requirements of this section and section 5 of P.L. , c.
22 (C.) (pending before the Legislature as this bill) shall apply to
23 any online retail sale of an intoxicating hemp product sold in this
24 State.

25 (3)² The imposition of any fine or other remedy under this act
26 shall not preclude prosecution for a violation of the criminal laws of
27 this State.

28
29 ²5. (New section) a. (1) Notwithstanding P.L.2021, c.16
30 (C.24:6I-31 et al.), or any rule or regulation adopted pursuant
31 thereto, the holder of any valid and unrevoked ³plenary wholesale
32 license or ³ plenary retail distribution license, as ³those terms are³
33 defined in ³R.S.33:1-11 and³ R.S.33:1-12, may sell or distribute
34 intoxicating hemp beverages in accordance with this section and
35 section 4 of P.L. , c. (C.) (pending before the Legislature
36 as this bill) and the rules and regulations adopted by the Cannabis
37 Regulatory Commission pursuant to subsection d. of this section.

38 (2) Any intoxicating hemp beverage sold or offered for sale
39 pursuant to paragraph (1) of this section shall not be sold to any
40 person under the age of 21, and shall be stored or displayed in a
41 place that is not accessible to customers without the assistance of an
42 employee of the establishment.

43 b. (1) Upon the effective date of P.L. , c. (C.)
44 (pending before the Legislature as this bill) the holder of any valid
45 and unrevoked ³plenary wholesale license or³ plenary retail
46 distribution license shall not sell any intoxicating hemp beverages.

1 (2) Upon the adoption of rules and regulations by the
2 commission pursuant to subsection d. of this section, any holder of
3 a valid and unrevoked ³plenary wholesale license or³ plenary retail
4 distribution license may submit an application to the commission, in
5 a form and manner as determined by the commission, for approval
6 to sell intoxicating hemp beverages. The commission may approve
7 a valid holder of a ³plenary wholesale license or³ plenary retail
8 distribution license to sell intoxicating hemp beverages in
9 accordance with P.L. , c. (C.) (pending before the
10 Legislature as this bill) and the rules and regulations adopted by the
11 commission.

12 c. Any sale of an intoxicating hemp beverage by a holder of
13 any valid and unrevoked ³plenary wholesale license or³ plenary
14 retail distribution license shall be subject to:

15 (1) the sales tax imposed on cannabis in accordance with the
16 “Sales and Use Tax Act,” P.L.1966, c.30 (C.54:32B-1 et seq.); and

17 (2) the same local cannabis transfer and user tax imposed on
18 cannabis by a municipality pursuant to section 40 of P.L.2021, c.16
19 (C.40:48I-1).

20 All taxes, fees, penalties, and revenues collected pursuant to this
21 section shall be deposited in accordance with section 41 of
22 P.L.2021, c.16 (C.24:6I-50).

23 d. (1) Notwithstanding the rules and regulations adopted
24 pursuant to subsection d. of section 4 of P.L. , c. (C.)
25 (pending before the Legislature as this bill), no later than 12 months
26 after the effective date of this section, the commission, in
27 consultation with the Division of Alcoholic Beverage Control shall
28 adopt, immediately upon filing with the Office of Administrative
29 Law, rules and regulations necessary to implement this section. The
30 rules and regulations adopted pursuant to this section shall be
31 effective for a period not to exceed 18 months following the date of
32 filing and may thereafter be amended, adopted, or readopted by the
33 ³[director] commission³ in accordance with the requirements of
34 P.L.1968, c.410 (C.52:14B-1 et seq.).

35 (2) The rules and regulations adopted pursuant to this section
36 shall include, but not be limited to, provisions concerning:

37 (a) packaging;

38 (b) labeling;

39 (c) product testing and safety standards;

40 (d) tetrahydrocannabinol amounts permitted in intoxicating hemp
41 beverages;

42 (e) the number of intoxicating hemp beverages that may be sold
43 to a customer at any given time; and

44 (f) a fee to be charged by the commission to cover the reasonable
45 costs of administering this section.

46 For the purposes of this section, “intoxicating hemp beverage”
47 means a beverage that is an intoxicating hemp product as that term
48 is defined in section 3 of P.L.2021, c.16 (C.24:6I-33).²

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

2 33:1-12. Class C licenses shall be subdivided and classified as
3 follows:

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

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

1 subsection. All fees related to the issuance of both licenses shall be
2 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 the
6 glass or other open receptacle, and also to sell any alcoholic beverages
7 in original containers for consumption off the licensed premises,
8 during the summer season from May 1 until November 14, inclusive,
9 or during the winter season from November 15 until April 30,
10 inclusive.

11 (2) In addition, the director shall issue to the holder of this license,
12 upon request by the licensee, one-day permits that shall entitle the
13 license holder to sell alcoholic beverages for consumption on the
14 licensed premises during the season when the license holder is not
15 authorized to sell alcoholic beverages pursuant to subparagraph (1) of
16 this subsection. The number of one-day permits issued to a licensee
17 pursuant to this subsection shall not exceed an aggregate of 14 permits
18 in one calendar year. A one-day permit issued pursuant to this
19 subsection shall be valid for 24 consecutive hours. The fee for each
20 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-day
23 permit for the purpose of maintaining public safety on the licensed
24 premises and immediately surrounding area. The costs associated with
25 the reasonable conditions placed on the one-day permit shall be
26 assumed by the holder of this license.

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

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

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

32 Limited retail distribution license. 3. b. The holder of this license
33 shall be entitled, subject to rules and regulations, to sell any unchilled,
34 brewed, malt alcoholic beverages in quantities of not less than 72 fluid
35 ounces for consumption off the licensed premises, but only in original
36 containers; provided, however, that this license shall be issued only for
37 premises operated and conducted by the licensee as a bona fide
38 grocery store, meat market, meat and grocery store, delicatessen, or
39 other type of bona fide food store at which groceries or other
40 foodstuffs are sold at retail; and provided further that this license shall
41 not be issued except for premises at which the sale of groceries or
42 other foodstuffs is the primary and principal business and at which the
43 sale of alcoholic beverages is merely incidental and subordinate
44 thereto. The fee for this license shall be fixed by the governing body
45 or board of the municipality in which the licensed premises are
46 situated, by ordinance, at not less than \$31 and not more than \$63.
47 The governing board or body of each municipality may, by ordinance,

1 enact that no limited retail distribution license shall be granted within
2 its respective municipality.

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

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

42 The provisions of section 23 of P.L.2003, c.117 amendatory of this
43 section shall apply to licenses issued or transferred on or after July 1,
44 2003, and to license renewals commencing on or after July 1, 2003.

45 Sporting facility license. 6. The holder of this license shall be
46 entitled, subject to rules and regulations, to sell at retail or to serve any
47 alcoholic beverages as the owner, operator, lessee, or concessionaire of

1 a sporting facility by the glass or other receptacle or in original
2 containers only on the premises of the sporting facility.

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

18 The fee for this license shall be \$2,500 for venues with a capacity
19 of less than 7,500 persons; \$5,000 for venues with a capacity of not
20 less than 7,500 persons but not more than 14,999 persons; \$7,500 for
21 venues with a capacity of not less than 15,000 persons but not more
22 than 22,499 persons; and \$10,000 for venues with a capacity of 22,500
23 persons or more.

24 For the purposes of this subsection:

25 "Sporting facility" means a stadium, arena, team training facility,
26 or similar venue located on public property where alcoholic beverages
27 are served or sold at retail for consumption on the premises by the
28 glass or other open receptacle or in original containers.

29 "Team training facility" shall include team offices and team
30 headquarters.²

31 (cf: P.L.2018, c.147, s.1)

32

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

35 41. Cannabis Regulatory, Enforcement Assistance, and
36 Marketplace Modernization Fund.

37 a. All fees and penalties collected by the commission, and all
38 tax revenues on retail sales of cannabis items, and all tax revenues
39 collected pursuant to the provisions of the "Jake Honig
40 Compassionate Use Medical Cannabis Act," P.L.2009, c.307
41 (C.24:6I-1 et al.), except for amounts credited to the Property Tax
42 Reform Account in the Property Tax Relief Fund pursuant to
43 paragraph 7 of Section I of Article VIII of the New Jersey
44 Constitution, **【as well as】** all revenues, if any, collected for the
45 Social Equity Excise Fee pursuant to section 39 of P.L.2021, c.16
46 (C.54:47F-1), ³**【as well as】**³ all tax revenues on the retail sale of
47 intoxicating hemp beverages by any plenary retail distribution
48 license holder ³, as well as any fees associated with the approval

1 provided to any plenary wholesale license holder to sell intoxicating
2 hemp beverages³, as defined pursuant to section 5 of P.L. _____, c.
3 (C. _____) (pending before the Legislature as this bill), shall be
4 deposited in a special nonlapsing fund which shall be known as the
5 "Cannabis Regulatory, Enforcement Assistance, and Marketplace
6 Modernization Fund," with 15 percent of the monies deposited
7 being placed into an account within the fund to be known as the
8 "Underage Deterrence and Prevention Account."

9 b. Monies in the fund, other than any monies derived from the
10 Social Equity Excise Fee to be appropriated annually in accordance
11 with subsection d. of this section and the monies placed into the
12 "Underage Deterrence and Prevention Account" within the fund for
13 the commission to fund programs and services in accordance with
14 subsection e. of this section, shall be appropriated annually as
15 follows:

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

25 (a) to oversee the development, regulation, and enforcement of
26 activities associated with the personal use of cannabis pursuant to
27 P.L.2021, c.16 (C.24:6I-31 et al.), and assist with assuming
28 responsibility from the Department of Health for the further
29 development and expansion, regulation, and enforcement of
30 activities associated with the medical use of cannabis pursuant to
31 the "Jake Honig Compassionate Use Medical Cannabis Act,"
32 P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-
33 12.22 et al.);

34 (b) to reimburse the expenses incurred by any county or
35 municipality for the training costs associated with the attendance
36 and participation of a police officer from its law enforcement unit,
37 as those terms are defined in section 2 of P.L.1961, c.56 (C.52:17B-
38 67), in a program provided by an approved school, also defined in
39 that section, which trains and certifies the police officer, including a
40 police officer with a working dog as that term is defined in section
41 1 of P.L.2006, c.88 (C.10:5-29.7), as a Drug Recognition Expert for
42 detecting, identifying, and apprehending drug-impaired motor
43 vehicle operators, and pay for the same training costs incurred by
44 the Division of State Police in the Department of Law and Public
45 Safety for the training of a State police officer or trooper, including
46 an officer or trooper with a working dog, as a Drug Recognition
47 Expert, as well as its costs in furnishing additional program
48 instructors to provide Drug Recognition Expert training to police

1 officers, troopers, and working dogs. A municipality or county
2 seeking reimbursement shall apply to the commission, itemizing the
3 costs, with appropriate proofs, for which reimbursement is
4 requested and provide a copy of the certificate issued to the police
5 officer to indicate the successful completion of the program by the
6 police officer, and that officer's working dog, if applicable; and

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

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

17 c. Any remaining available monies, after the appropriation of
18 those monies in the fund in accordance with subsection b. of this
19 section, shall be deposited in the State's General Fund.

20 d. (1) (a) Not less than 60 days prior to the first day of each State
21 fiscal year, the commission shall consult and make
22 recommendations to the Governor and Legislature for making social
23 equity appropriations based upon the amount of any revenues
24 collected during the current fiscal year for the Social Equity Excise
25 Fee pursuant to section 39 of P.L.2021, c.16 (C.54:47F-1), or, if the
26 commission has not imposed or adjusted the excise fee in the
27 current fiscal year pursuant to that section, then appropriations to be
28 made from the General Fund in an amount equal to the revenues
29 that would have been collected had it imposed or adjusted the fee,
30 in order to invest, through grants, loans, reimbursements of
31 expenses, and other financial assistance, in private for-profit and
32 non-profit organizations, public entities, including any municipality
33 defined as an "impact zone" pursuant to section 3 of P.L.2021, c.16
34 (C.24:6I-33) as well as provide direct financial assistance to
35 qualifying persons as determined by the commission, in order to
36 create, expand, or promote educational and economic opportunities
37 and activities, and the health and well-being of both communities
38 and individuals.

39 (b) Not less than 30 days prior to submitting its
40 recommendations to the Governor and Legislature pursuant to
41 subparagraph (a) of this paragraph, the commission shall hold at
42 least three regional public hearings throughout the State, with at
43 least one hearing in the northern, central, and southern regions of
44 the State, to solicit the public input on the social equity investments
45 to be made as described in this section.

46 (2) The commission's recommendations to the Governor and
47 Legislature may include, but are not limited to, recommending
48 investments in the following categories of social equity programs:

1 (a) educational support, including literacy programs, extended
2 learning time programs that endeavor to close the achievement gap
3 and provide services for enrolled students after the traditional
4 school day, GED application and preparedness assistance, tutoring
5 programs, vocational programming, and financial literacy;

6 (b) economic development, including the encouragement and
7 support of community activities so as to stimulate economic activity
8 or increase or preserve residential amenities, and business
9 marketing, and job skills and readiness training, specific
10 employment training, and apprenticeships;

11 (c) social support services, including food assistance, mental
12 health services, substance use disorders treatment and recovery,
13 youth recreation and mentoring services, life skills support services,
14 and reentry and other rehabilitative services for adults and juveniles
15 being released from incarceration; and

16 (d) legal aid for civil and criminal cases, regardless of a party's
17 citizenship or immigration status.

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

25 (4) Prior to the first day of each fiscal year, the Legislature shall
26 provide to the commission a statement which lists the investments,
27 including the investment recipients and investment amount, to be
28 made by appropriations as set forth in paragraph (1) of this
29 subsection based upon recommendations presented to the Governor
30 and Legislature pursuant to paragraphs (1) through (3) of this
31 subsection, and how the investment is intended to support and
32 advance social equity as described in this subsection.

33 e. The monies deposited in the "Underage Deterrence and
34 Prevention Account" within the fund shall be used by the
35 commission, based on the acceptance of applications submitted on a
36 form and through an approval or denial process promulgated by the
37 commission, to fund private for-profit and non-profit organizations,
38 and county and municipal programs and services that offer social
39 services, educational, recreational, and employment opportunities,
40 and local economic development designed to encourage, improve,
41 and support youthful community activities to divert and prevent
42 persons under 18 years of age from activities associated with the
43 consumption of cannabis items, or marijuana or hashish.²

44 (cf: P.L.2021, c.25, s.5)

45
46 ²[5.] 8.² (New section) a. A person who sells, offers for sale, or
47 distributes any intoxicating hemp product or a hemp product or
48 cannabis item that is not derived from naturally occurring biologically

1 active chemical constituents, in violation of section 4 of P.L. , c.
2 (C.) (pending before the Legislature as this bill), shall be liable to
3 a civil penalty of not less than \$100 for the first violation, not less than
4 \$1,000 for the second violation, and not less than \$10,000 for the third
5 and each subsequent violation. The penalty prescribed by this section
6 shall be collected and enforced by summary proceedings under the
7 "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et
8 seq.).

9 b. An official authorized by statute or ordinance to enforce this act
10 or the State or local health codes or consumer protection laws or a law
11 enforcement officer having enforcement authority in that municipality
12 may issue a summons for a violation of the provisions of section 4 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 penalty recovered under the provisions of this section shall be
17 recovered by and in the name of the State by the local health or
18 consumer protection agency or other authorized government entity,
19 including but not limited to the Division of Consumer Affairs in the
20 Department of Law and Public Safety and the Cannabis Regulatory
21 Commission established pursuant to section 31 of P.L.2019, c.153
22 (C.24:6I-24). With respect to an enforcement action brought by a
23 municipal official, half of any monetary penalty shall be paid into the
24 treasury of the municipality in which the violation occurred for the
25 general uses of the municipality, and half shall be deposited in the
26 special nonlapsing fund known as the "Cannabis Regulatory,
27 Enforcement Assistance, and Marketplace Modernization Fund,"
28 established pursuant to section 41 of P.L.2021, c.16 (C.24:6I-50).
29 With respect to an enforcement action brought by any other
30 government entity, any monetary penalty collected pursuant to P.L. ,
31 c. (C.) (pending before the Legislature as this bill) shall be
32 deposited in the special nonlapsing fund known as the "Cannabis
33 Regulatory, Enforcement Assistance, and Marketplace Modernization
34 Fund," established pursuant to section 41 of P.L.2021, c.16 (C.24:6I-
35 50).

36 d. A law enforcement officer, local health official, or other
37 government official from an agency authorized to enforce this section
38 may confiscate any intoxicating hemp product, hemp product, or
39 cannabis item that is sold, offered for sale, or distributed in violation of
40 section 4 of P.L. , c. (C.) (pending before the Legislature as
41 this bill).

42 e. In addition to the civil penalty authorized under subsection a. of
43 this section, a business found to have committed more than two
44 violations of section 4 of P.L. , c. (C.) (pending before the
45 Legislature as this bill) or found to have committed a third or
46 subsequent violation at any individual location within one year shall be
47 deemed a public nuisance. Notwithstanding any other provision of
48 law, a municipality shall have the power to impose restrictions on the

1 operation, including closure, of any business determined to constitute a
2 public nuisance pursuant to this subsection.

3 ²f. The provisions of P.L. , c. (C.) (pending before the
4 Legislature as this bill) shall not be construed to impose liability on
5 news media that accept, publish, or both, advertising for products or
6 services that fall within the scope of P.L. , c. (C.) (pending
7 before the Legislature as this bill).²

8
9 ²g. Section 40 of P.L.2021, c.16 (C.40:48I-1) is amended to read
10 as follows:

11 40. Optional Local Cannabis Transfer Tax and User Tax.

12 a. (1) A municipality may adopt an ordinance imposing a transfer
13 tax on the sale of cannabis or cannabis items by a cannabis
14 establishment or a holder of a ³plenary wholesale license or³
15 plenary retail distribution license selling an intoxicating hemp
16 beverage in accordance with section 5 of P.L. , c. (C.)
17 (pending before the Legislature as this bill) that is located in the
18 municipality. At the discretion of the municipality, the tax may be
19 imposed on: receipts from the sale of cannabis by a cannabis
20 cultivator to another cannabis cultivator; receipts from the sale of
21 cannabis items from one cannabis establishment to another cannabis
22 establishment; receipts from the retail sales of cannabis items or
23 intoxicating hemp beverages by a cannabis retailer or a holder of a
24 ³plenary wholesale license or³ plenary retail distribution license to
25 retail consumers who are 21 years of age or older; or any
26 combination thereof. Each municipality shall set its own rate or
27 rates, but in no case shall a rate exceed: two percent of the receipts
28 from each sale by a cannabis cultivator; two percent of the receipts
29 from each sale by a cannabis manufacturer; one percent of the
30 receipts from each sale by a cannabis wholesaler; and two percent
31 of the receipts from each sale by a cannabis retailer or holder of a
32 ³plenary wholesale license or³ plenary retail distribution license.

33 (2) A local tax ordinance adopted pursuant to paragraph (1) of
34 this subsection shall also include provisions for imposing a user tax,
35 at the equivalent transfer tax rates, on any concurrent license
36 holder, as permitted by section 33 of P.L.2021, c.16 (C.24:6I-46),
37 operating more than one cannabis establishment , or on any
38 concurrent holder of ³plenary wholesale licenses or³ plenary retail
39 distribution licenses. The user tax shall be imposed on the value of
40 each transfer or use of cannabis or cannabis items not otherwise
41 subject to the transfer tax imposed pursuant to paragraph (1) of this
42 subsection, from the license holder's establishment that is located in
43 the municipality to any of the other license holder's establishments,
44 whether located in the municipality or another municipality.

45 b. (1) A transfer tax or user tax imposed pursuant to this section
46 shall be in addition to any other tax imposed by law. Any
47 transaction for which the transfer tax or user tax is imposed, or

1 could be imposed, pursuant to this section, other than those which
2 generate receipts from the retail sales by cannabis retailers or a
3 holder of a ³plenary wholesale license or³ plenary retail distribution
4 license, shall be exempt from the tax imposed under the "Sales and
5 Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et seq.). The transfer tax
6 or user tax shall be collected or paid, and remitted to the
7 municipality by the cannabis establishment or the holder of the
8 ³plenary wholesale license or³ plenary retail distributor license from
9 the cannabis establishment ³, plenary wholesale license holder,³ or
10 plenary retail distributor purchasing or receiving the cannabis or
11 cannabis item, or from the consumer at the point of sale, on behalf
12 of the municipality by the cannabis retailer ³, plenary wholesale
13 license holder,³ or plenary retail distributor selling the cannabis
14 item to that consumer. The transfer tax or user tax shall be stated,
15 charged, and shown separately on any sales slip, invoice, receipt, or
16 other statement or memorandum of the price paid or payable, or
17 equivalent value of the transfer, for the cannabis or cannabis item.

18 (2) Every cannabis establishment ³, plenary wholesale license
19 holder,³ or plenary retail distributor required to collect a transfer tax
20 or user tax imposed by ordinance pursuant to this section shall be
21 personally liable for the transfer tax or user tax imposed, collected,
22 or required to be collected under this section. Any cannabis
23 establishment ³, plenary wholesale license holder,³ or plenary retail
24 distributor shall have the same right with respect to collecting the
25 transfer tax or user tax from another cannabis establishment ,
26 plenary retail distributor ³, plenary whole license holder,³ or the
27 consumer as if the transfer tax or user tax was a part of the sale and
28 payable at the same time, or with respect to non-payment of the
29 transfer tax or user tax by the cannabis establishment, plenary retail
30 distributor ³, plenary whole license holder,³ or consumer, as if the
31 transfer tax or user tax was a part of the purchase price of the
32 cannabis or cannabis item, or equivalent value of the transfer of the
33 cannabis or cannabis item, and payable at the same time; provided,
34 however, that the chief fiscal officer of the municipality which
35 imposes the transfer tax or user tax shall be joined as a party in any
36 action or proceeding brought to collect the transfer tax or user tax.

37 (3) No cannabis establishment ³, plenary wholesale license
38 holder,³ or plenary retail distributor required to collect a transfer tax
39 or user tax imposed by ordinance pursuant to this section shall
40 advertise or hold out to any person or to the public in general, in
41 any manner, directly or indirectly, that the transfer tax or user tax
42 will not be separately charged and stated to another cannabis
43 establishment, plenary retail distributor, ³, plenary whole license
44 holder,³ or the consumer, or that the transfer tax or user tax will be
45 refunded to the cannabis establishment, plenary retail distributor, ³,
46 plenary whole license holder,³ or the consumer.

1 c. (1) All revenues collected from a transfer tax or user tax
2 imposed by ordinance pursuant to this section shall be remitted to
3 the chief financial officer of the municipality in a manner
4 prescribed by the municipality. The chief financial officer shall
5 collect and administer any transfer tax or user tax imposed by
6 ordinance pursuant to this section. The municipality shall enforce
7 the payment of delinquent taxes or transfer fees imposed by
8 ordinance pursuant to this section in the same manner as provided
9 for municipal real property taxes.

10 (2) (a) In the event that the transfer tax or user tax imposed by
11 ordinance pursuant to this section is not paid as and when due by a
12 cannabis establishment ³, plenary wholesale license holder,³ or
13 plenary retail distributor, the unpaid balance, and any interest
14 accruing thereon, shall be a lien on the parcel of real property
15 comprising the cannabis establishment's ³, plenary wholesale
16 license holder,³ or plenary retail distributor premises in the same
17 manner as all other unpaid municipal taxes, fees, or other charges.
18 The lien shall be superior and paramount to the interest in the parcel
19 of any owner, lessee, tenant, mortgagee, or other person, except the
20 lien of municipal taxes, and shall be on a parity with and deemed
21 equal to the municipal lien on the parcel for unpaid property taxes
22 due and owing in the same year.

23 (b) A municipality shall file in the office of its tax collector a
24 statement showing the amount and due date of the unpaid balance
25 and identifying the lot and block number of the parcel of real
26 property that comprises the delinquent cannabis establishment's ³,
27 plenary wholesale license holder,³ or plenary retail distributor
28 premises. The lien shall be enforced as a municipal lien in the same
29 manner as all other municipal liens are enforced.

30 d. As used in this section:

31 "Cannabis" means the same as that term is defined in section 3 of
32 P.L.2021, c.16 (C.24:6I-33).

33 "Cannabis cultivator" means the same as that term is defined in
34 section 3 of P.L.2021, c.16 (C.24:6I-33).

35 "Cannabis establishment" means the same as that term is defined
36 in section 3 of P.L.2021, c.16 (C.24:6I-33).

37 "Cannabis items" means the same as that term is defined in
38 section 3 of P.L.2021, c.16 (C.24:6I-33).

39 "Cannabis manufacturer" means the same as that term is defined
40 in section 3 of P.L.2021, c.16 (C.24:6I-33).

41 "Cannabis retailer" means the same as that term is defined in
42 section 3 of P.L.2021, c.16 (C.24:6I-33).

43 "Cannabis wholesaler" means the same as that term is defined in
44 section 3 of P.L.2021, c.16 (C.24:6I-33).

45 "Consumer" means the same as that term is defined in section 3
46 of P.L.2021, c.16 (C.24:6I-33).

1 "Premises" means the same as that term is defined in section 3 of
2 P.L.2021, c.16 (C.24:6I-33).²
3 (cf: P.L.2021, c.16, s.40)
4

5 ³10. R.S.33:1-11 is amended to read as follows:

6 33:1-11. Class B licenses shall be subdivided and classified as
7 follows:

8 Plenary wholesale license. 1. The holder of this license shall be
9 entitled, subject to rules and regulations, to sell and distribute
10 alcoholic beverages or intoxicating hemp beverages, in accordance
11 with section 5 of P.L. , c. (C.) (pending before the
12 Legislature as this bill), to retailers and wholesalers licensed in
13 accordance with this chapter, and to sell and distribute without this
14 State to any persons pursuant to the laws of the places of such sale
15 and distribution, and to maintain a warehouse and salesroom;
16 provided, however, that the delivery of such alcoholic beverages by
17 the holder of this license to retailers licensed under this Title shall
18 be from inventory in a warehouse located in New Jersey which is
19 operated under a plenary wholesale license. The fee for this license
20 shall be \$8,750.

21 Limited wholesale license. 2a. The holder of this license shall be
22 entitled, subject to rules and regulations, to sell and distribute
23 brewed malt alcoholic beverages and naturally fermented wines to
24 retailers and wholesalers licensed in accordance with this chapter,
25 and to sell and distribute without this State to any persons pursuant
26 to the laws of the places of such sale and distribution, and to
27 maintain a warehouse and salesroom. The fee for this license shall
28 be \$1,875.

29 Wine wholesale license. 2b. The holder of this license shall be
30 entitled, subject to rules and regulations, to sell and distribute any
31 naturally fermented, treated, blended, fortified and sparkling wines
32 to retailers and wholesalers licensed in accordance with this
33 chapter, and to sell and distribute without this State to any persons
34 pursuant to the laws of the places of such sale and distribution, and
35 to maintain a warehouse and salesroom; provided, however, that the
36 delivery of such wines by the holder of this license to retailers
37 licensed under this Title shall be from inventory in a warehouse
38 located in New Jersey which is operated under a wine wholesale
39 license. The fee for this license shall be \$3,750.

40 State beverage distributor's license. 2c.(1) The holder of this
41 license shall be entitled, subject to rules and regulations, to sell and
42 distribute unchilled, brewed, malt alcoholic beverages in original
43 containers only, in quantities of not less than 144 fluid ounces and
44 chilled draught malt alcoholic beverages in kegs, barrels or other
45 similar containers of at least one fluid gallon in capacity, to retailers
46 licensed in accordance with this chapter, and to sell and distribute
47 without this State to any person pursuant to the laws of the places of
48 such sale and distribution, and to maintain a warehouse and

1 salesroom. The holder of this license may sell unchilled, brewed,
 2 malt alcoholic beverages in original containers only, in quantities of
 3 not less than 144 fluid ounces and chilled draught malt alcoholic
 4 beverages in kegs, barrels or other similar containers of at least 7.75
 5 fluid gallons in capacity, at retail; provided, however, that such
 6 sales shall be made only for consumption off the licensed premises.
 7 This license shall not be issued to any person holding a plenary or
 8 limited brewery license, nor shall it be issued to any person directly
 9 or indirectly interested in any brewery within or without this State.
 10 This license shall not be issued for premises in or upon which any
 11 retail business, except the sale of malt alcoholic beverages and
 12 nonalcoholic beverages, is carried on. The fee for this license shall
 13 be \$1,031.

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

18 (3) The holder of a license issued pursuant to this subsection
 19 shall not be entitled to sell malt alcoholic beverages at retail as
 20 provided in paragraph (1) of this subsection, at hours of the day or
 21 on days of the week during which sales by holders of plenary retail
 22 distributors licenses are prohibited in the municipality in which the
 23 licensed premises is located or in a municipality which, in
 24 accordance with the provisions of this title, prohibits all retail sales
 25 of wine and malt alcoholic beverages in original bottle or can
 26 containers.

27 The provisions of section 22 of P.L.2003 , c.117 amendatory of
 28 this section shall apply to licenses issued or transferred on or after
 29 July 1, 2003, and to license renewals commencing on or after July
 30 1, 2003.³

31 (cf: P.L.2003, c.117, s.22)

32

33 ²[6.] ³[10.²] 11.³ (New section) The Cannabis Regulatory
 34 Commission, in consultation with the Division of Consumer Affairs in
 35 the Department of Law and Public Safety ²[and] ², ² the Business
 36 Action Center in the Department of State, ²and the Division of
 37 Alcoholic Beverage Control in the Department of Law and Public
 38 Safety² shall develop and implement a public education program to
 39 educate businesses across the State on the provisions of P.L. , c.
 40 (C.) (pending before the Legislature as this bill).

41

42 ²[7.] ³[11.²] 12.³ ²[Paragraph (2) of subsection b. of section 4
 43 and section 6 of this act shall take effect immediately. The remainder
 44 of this act shall take effect 180 days after enactment, except that the
 45 Cannabis Regulatory Commission may take any anticipatory
 46 administrative action in advance as shall be necessary for the
 47 implementation of this act] This act shall take effect as follows:

- 1 a. Paragraph (2) of subsection b. of section 4 shall take effect
2 immediately;
3 b. The remainder of this act shall take effect 30 days after
4 enactment, except that the Cannabis Regulatory Commission may take
5 any anticipatory administrative action in advance as shall be necessary
6 for the implementation of this act².