

ASSEMBLY, No. 5604

STATE OF NEW JERSEY 222nd LEGISLATURE

INTRODUCED OCTOBER 5, 2026

Sponsored by:

Assemblyman **ROBERT J. KARABINCHAK**

District 18 (Middlesex)

SYNOPSIS

Aligns State restrictions on sale of hemp products and intoxicating hemp beverages with federal law.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning hemp products and intoxicating hemp beverages
2 and amending P.L.2025, c.215, and P.L.2021, c.16.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 8 of P.L.2025, c.215 (C.2C:35-10f) is amended to
8 read as follows:

9 8. a. On or after April 13, 2026, or unless otherwise authorized by
10 law, it shall be unlawful to sell, offer for sale, or distribute any of the
11 following:

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

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

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

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

21 (c) more than 0.3 percent combined total of total
22 tetrahydrocannabinol, including tetrahydrocannabinolic acid, with
23 any other cannabinoids that have similar effects or are marketed to
24 have similar effects on humans or animals as tetrahydrocannabinol,
25 as determined by the United States Secretary of Health and Human
26 Services;

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

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

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

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

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

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

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

Matter underlined thus is new matter.

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

3 Notwithstanding the above, until **【November 13, 2026】** the
4 federal compliance date, as defined in section 3 of P.L.2021, c.16
5 (C.24:6I-33), a hemp producer or its agent as authorized by the
6 Department of Agriculture to cultivate, handle, or process hemp or
7 hemp-derived cannabinoid products, pursuant to the “New Jersey
8 Hemp Farming Act,” P.L.2019, c.238 (C.4:28-6 et al.), which are
9 subject to the department’s statutory or regulatory authority,
10 established under that act, may possess or transport an intermediate
11 hemp-derived cannabinoid product with a THC concentration
12 exceeding 0.3 percent, provided that: (1) such material is undergoing
13 processing and at this stage of processing is not intended to be used
14 or consumed by a human or animal; (2) the material is handled and
15 transported in accordance with any applicable regulations
16 promulgated by the Cannabis Regulatory Commission that establish
17 standards for safety and security; and (3) any final hemp-derived
18 cannabinoid product processed therefrom and distributed or sold does
19 not exceed the allowable THC levels for hemp established by
20 P.L.2025, c.215.

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

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

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

36 (2) In addition to the penalties established pursuant to
37 N.J.S.2C:35-5, a person who sells, offers for sale, or distributes any
38 substance or product in violation of subsection a. of this section shall
39 be liable to a civil penalty of not less than \$100 for the first violation,
40 not less than \$1,000 for the second violation, and not less than
41 \$10,000 for the third and each subsequent violation. Each day during
42 which a violation continues shall constitute a separate and distinct
43 offense. The penalty prescribed by this section shall be collected and
44 enforced by summary proceedings under the “Penalty Enforcement
45 Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.). Nothing in this
46 section shall be construed to prohibit the imposition of multiple fines
47 for a single violation as a penalty for the sale or distribution of more
48 than one substance or product in violation of this section.

1 (3) The sale, offer for sale, or distribution of any substance or
2 product in violation of this section shall be subject to the enforcement
3 provisions and remedies set forth in section 9 of P.L.2025, c.215
4 (C.2C:35-10i).

5 The imposition of any fine or other remedy under P.L.2025, c.215
6 (C.2C:35-10f et al.) shall not preclude prosecution for a violation of
7 the criminal laws of this State.
8 (cf: P.L.2026, c.13, s.1)

9
10 2. Section 12 of P.L.2025, c.215 (C.2C:35-10g) is amended to
11 read as follows:

12 12. a. (1) Except as provided in section 11 of P.L.2025, c.215
13 (C.24:6I-48.5), on or after April 13, 2026, any person or entity that
14 sells, offers for sale, or distributes an intoxicating hemp beverage
15 shall be subject to the penalties established pursuant to section 8 of
16 P.L.2025, c.215 (C.2C:35-10f).

17 (2) On or after **【November 13, 2026】** the federal compliance date
18 as defined in section 3 of P.L.2021, c.16 (C.24:6I-33), the sale, offer
19 for sale, or distribution of an intoxicating hemp beverage by any
20 person or entity shall be subject to the penalties established in section
21 8 of P.L.2025, c.215 (C.2C:35-10f).

22 b. (1) On or after May 31, 2026, an intoxicating hemp beverage
23 sold, offered for sale, or distributed in accordance with section 11 of
24 P.L.2025, c.215 (C.24:6I-48.5) shall only be in the following
25 container forms:

26 (a) a can containing not more than 10 milligrams of total
27 tetrahydrocannabinol per can; or

28 (b) a resealable bottle of 750 milliliters in volume containing 40
29 servings of five milligrams of total tetrahydrocannabinol per serving
30 or not more than 200 milligrams of total tetrahydrocannabinol per
31 bottle.

32 (2) A certificate of analysis prepared by a laboratory that meets
33 the requirements of paragraph (3) of this subsection shall accompany
34 the sale or distribution of any intoxicating hemp beverage sold or
35 distributed on or after May 31, 2026 and shall certify the amounts of
36 total tetrahydrocannabinol per serving and total tetrahydrocannabinol
37 per container. For the purposes of this paragraph, a cannabinoid
38 concentration that is within 90 to 110 percent of the specified
39 milligrams per serving and per container claimed for that product
40 shall be deemed to be compliant.

41 (3) The certificate of analysis required pursuant to paragraph (2)
42 of this subsection shall be prepared by an independent testing
43 laboratory that complies with the testing established by the
44 commission, provided that such laboratory shall be registered with
45 the Drug Enforcement Administration in the United States
46 Department of Justice and ISO 17025 accredited for all analytes
47 required by the commission.

1 c. The sale of an intoxicating hemp beverage without a
2 certificate of analysis or not in conformity with paragraph (1) of
3 subsection b. of this section shall be liable for a civil penalty of not
4 less than \$100 for each container. The penalty prescribed by this
5 section shall be collected and enforced by summary proceedings
6 under the "Penalty Enforcement Law of 1999," P.L.1999, c.274
7 (C.2A:58-10 et seq.).
8 (cf: P.L.2026, c.13, s.2)

9
10 3. Section 3 of P.L.2021, c.16 (C.24:6I-33) is amended to read
11 as follows:

12 3. Definitions.

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

15 "Alternative treatment center" means an organization issued a
16 permit pursuant to the "Jake Honig Compassionate Use Medical
17 Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) to operate as a
18 medical cannabis cultivator, medical cannabis manufacturer, medical
19 cannabis dispensary, or clinical registrant, as well as any alternative
20 treatment center deemed pursuant to section 7 of that act (C.24:6I-7)
21 to concurrently hold a medical cannabis cultivator permit, a medical
22 cannabis manufacturer permit, and a medical cannabis dispensary
23 permit.

24 "Cannabis" means all parts of the plant *Cannabis sativa* L.,
25 whether growing or not, the seeds thereof, and every compound,
26 manufacture, salt, derivative, mixture, or preparation of the plant or
27 its seeds, except those containing resin extracted from the plant,
28 which are cultivated and, when applicable, manufactured in
29 accordance with P.L.2021, c.16 (C.24:6I-31 et al.) for use in cannabis
30 products as set forth in this act, but shall not include the weight of
31 any other ingredient combined with cannabis to prepare topical or
32 oral administrations, food, drink, or other product. "Cannabis" does
33 not include: medical cannabis dispensed to registered qualifying
34 patients pursuant to the "Jake Honig Compassionate Use Medical
35 Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015,
36 c.158 (C.18A:40-12.22 et al.); marijuana as defined in N.J.S.2C:35-
37 2 and applied to any offense set forth in chapters 35, 35A, and 36 of
38 Title 2C of the New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1
39 et seq.), or marihuana as defined in section 2 of P.L.1970, c.226
40 (C.24:21-2) and applied to any offense set forth in the "New Jersey
41 Controlled Dangerous Substances Act," P.L.1970, c.226 (C.24:21-1
42 et al.); or hemp or a hemp-derived cannabinoid product cultivated,
43 handled, processed, transported, or sold pursuant to the "New Jersey
44 Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.).

45 "Cannabis consumption area" means, as further described in
46 section 28 of P.L.2019, c.153 (C.24:6I-21), a designated location
47 operated by a licensed cannabis retailer or permit holder for
48 dispensing medical cannabis, for which both a State and local

1 endorsement has been obtained, that is either: (1) an indoor,
2 structurally enclosed area of the cannabis retailer or permit holder
3 that is separate from the area in which retail sales of cannabis items
4 or the dispensing of medical cannabis occurs; or (2) an exterior
5 structure on the same premises as the cannabis retailer or permit
6 holder, either separate from or connected to the cannabis retailer or
7 permit holder, at which cannabis items or medical cannabis either
8 obtained from the retailer or permit holder, or brought by a person to
9 the consumption area, may be consumed.

10 "Cannabis cultivator" means any licensed person or entity that
11 grows, cultivates, or produces cannabis in this State and sells, and
12 may transport, this cannabis to other cannabis cultivators, or usable
13 cannabis to cannabis manufacturers, cannabis wholesalers, or
14 cannabis retailers, but not to consumers. This person or entity shall
15 hold a Class 1 Cannabis Cultivator license.

16 "Cannabis delivery service" means any licensed person or entity
17 that provides courier services for consumer purchases of cannabis
18 items and related supplies fulfilled by a cannabis retailer in order to
19 make deliveries of the cannabis items and related supplies to that
20 consumer and which services include the ability of a consumer to
21 purchase the cannabis items directly through the cannabis delivery
22 service which, after presenting the purchase order to the cannabis
23 retailer for fulfillment, is delivered to that consumer. This person or
24 entity shall hold a Class 6 Cannabis Delivery license.

25 "Cannabis distributor" means any licensed person or entity that
26 transports cannabis in bulk intrastate from one licensed cannabis
27 cultivator to another licensed cannabis cultivator, or transports
28 cannabis items in bulk intrastate from any one class of licensed
29 cannabis establishment to another class of licensed cannabis
30 establishment, and may engage in the temporary storage of cannabis
31 or cannabis items as necessary to carry out transportation activities.
32 This person or entity shall hold a Class 4 Cannabis Distributor
33 license.

34 "Cannabis establishment" means a cannabis cultivator, a cannabis
35 manufacturer, a cannabis wholesaler, or a cannabis retailer.

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

43 "Cannabis flower" means the flower of the plant *Cannabis sativa*
44 L. within the plant family Cannabaceae.

45 "Cannabis item" means any usable cannabis, cannabis product,
46 cannabis extract, and any other cannabis resin. "Cannabis item" does
47 not include: any form of medical cannabis dispensed to registered
48 qualifying patients pursuant to the "Jake Honig Compassionate Use

1 Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and
2 P.L.2015, c.158 (C.18A:40-12.22 et al.) or hemp or a hemp-derived
3 cannabinoid product cultivated, handled, processed, transported, or
4 sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019,
5 c.238 (C.4:28-6 et al.).

6 "Cannabis leaf" means the leaf of the plant *Cannabis sativa* L.
7 within the plant family Cannabaceae.

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

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

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

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

1 to the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6
2 et al.).

3 "Cannabis retailer" means any licensed person or entity that
4 purchases or otherwise obtains usable cannabis from cannabis
5 cultivators and cannabis items from cannabis manufacturers or
6 cannabis wholesalers, and sells these to consumers from a retail store,
7 and may use a cannabis delivery service or a certified cannabis
8 handler for the off-premises delivery of cannabis items and related
9 supplies to consumers. A cannabis retailer shall also accept
10 consumer purchases to be fulfilled from its retail store that are
11 presented by a cannabis delivery service which will be delivered by
12 the cannabis delivery service to that consumer. This person or entity
13 shall hold a Class 5 Cannabis Retailer license.

14 "Cannabis testing facility" means an independent, third-party
15 entity meeting accreditation requirements established by the
16 Cannabis Regulatory Commission that is licensed to analyze and
17 certify cannabis items and medical cannabis for compliance with
18 applicable health, safety, and potency standards.

19 "Cannabis wholesaler" means any licensed person or entity that
20 purchases or otherwise obtains, stores, sells, or otherwise transfers,
21 and may transport, cannabis items for the purpose of resale or other
22 transfer to either another cannabis wholesaler or to a cannabis
23 retailer, but not to consumers. This person or entity shall hold a Class
24 3 Cannabis Wholesaler license.

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

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

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

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

46 "Delivery" means the transportation of cannabis items and related
47 supplies to a consumer. "Delivery" also includes the use by a
48 licensed cannabis retailer of any third-party technology platform to

1 receive, process, and fulfill orders by consumers, which third party
2 shall not be required to be a licensed cannabis establishment,
3 distributor, or delivery service, provided that any physical acts in
4 connection with fulfilling the order and delivery shall be
5 accomplished by a certified cannabis handler performing work for or
6 on behalf of the licensed cannabis retailer, which includes a certified
7 cannabis handler employed or otherwise working on behalf of a
8 cannabis delivery service making off-premises deliveries of
9 consumer purchases fulfilled by that cannabis retailer.

10 "Department" means the Department of Health.

11 "Director" means the Director of the Office of Minority, Disabled
12 Veterans, and Women Cannabis Business Development in the
13 Cannabis Regulatory Commission.

14 "Executive director" means the executive director of the Cannabis
15 Regulatory Commission.

16 "Federal compliance date" means December 11, 2026, or the date
17 upon which the federal definition of hemp with regard to the
18 provisions of paragraph (1)(A) and the products described in
19 paragraphs (1)(C)(i), (1)(C)(ii)(II and III), (1)(C)(iii), and
20 (1)(C)(iv)(II and III) of section 781 of division B of Pub.L.119-37
21 takes effect, whichever is later. Notwithstanding the expiration,
22 repeal, or lapse of any federal appropriation or federal continuing
23 resolution measure, the federal compliance date shall not be earlier
24 than December 11, 2026.

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

28 "Immature cannabis plant" means a cannabis plant that is not
29 flowering.

30 "Impact zone" means any municipality, based on past criminal
31 marijuana enterprises contributing to higher concentrations of law
32 enforcement activity, unemployment, and poverty, or any
33 combination thereof, within parts of or throughout the municipality,
34 that:

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

38 (2) based upon data for calendar year 2019, ranks in the top 40
39 percent of municipalities in the State for marijuana- or hashish-
40 related arrests for violation of paragraph (4) of subsection a. of
41 N.J.S.2C:35-10; has a crime index total of 825 or higher based upon
42 the indexes listed in the annual Uniform Crime Report by the
43 Division of State Police; and has a local average annual
44 unemployment rate that ranks in the top 15 percent of all
45 municipalities, based upon average annual unemployment rates
46 estimated for the relevant calendar year by the Office of Research
47 and Information in the Department of Labor and Workforce
48 Development;

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

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

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

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

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

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

"Licensee" means a person or entity that holds a license issued under P.L.2021, c.16 (C.24:6I-31 et al.), including a license that is designated as either a Class 1 Cannabis Cultivator license, a Class 2

1 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler
2 license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis
3 Retailer license, or a Class 6 Cannabis Delivery license, and includes
4 a person or entity that holds a conditional license for a designated
5 class, except when the context of the provisions of P.L.2021, c.16
6 (C.24:6I-31 et al.) otherwise intend to only apply to a person or entity
7 that holds a license and not a conditional license.

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

11 "Manufacture" means the drying, processing, compounding, or
12 conversion of usable cannabis into cannabis products or cannabis
13 resins. "Manufacture" does not include packaging or labeling.

14 "Mature cannabis plant" means a cannabis plant that is not an
15 immature cannabis plant.

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

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

45 "Noncommercial" means not dependent or conditioned upon the
46 provision or receipt of financial consideration.

1 “Ownership interest” means a present right to ownership or equity
2 interest in an entity. “Ownership interest” shall not include a future
3 right such as an option, warrant, or convertible note.

4 "Premises" or "licensed premises" includes the following areas of
5 a location licensed under P.L.2021, c.16 (C.24:6I-31 et al.): all
6 public and private enclosed areas at the location that are used in the
7 business operated at the location, including offices, kitchens, rest
8 rooms, and storerooms; all areas outside a building that the Cannabis
9 Regulatory Commission has specifically licensed for the production,
10 manufacturing, wholesaling, distributing, retail sale, or delivery of
11 cannabis items; and, for a location that the commission has
12 specifically licensed for the production of cannabis outside a
13 building, the entire lot or parcel that the licensee owns, leases, or has
14 a right to occupy.

15 "Produce" means the planting, cultivation, growing or harvesting
16 of cannabis. "Produce" does not include the drying of cannabis by a
17 cannabis manufacturer, if the cannabis manufacturer is not otherwise
18 manufacturing cannabis.

19 "Public place" means any place to which the public has access that
20 is not privately owned; or any place to which the public has access
21 where alcohol consumption is not allowed, including, but not limited
22 to, a public street, road, thoroughfare, sidewalk, bridge, alley, plaza,
23 park, playground, swimming pool, shopping area, public
24 transportation facility, vehicle used for public transportation, parking
25 lot, public library, or any other public building, structure, or area.

26 "Radio" means a system for transmitting sound without visual
27 images, and includes broadcast, cable, on-demand, satellite, or
28 Internet programming. "Radio" includes any audio programming
29 downloaded or streamed via the Internet.

30 "Significantly involved person" means a person or entity who
31 holds at least a five percent investment interest in a proposed or
32 licensed cannabis cultivator, cannabis manufacturer, cannabis
33 wholesaler, cannabis distributor, cannabis retailer, or cannabis
34 delivery service, or who is a decision making member of a group that
35 holds at least a 20 percent investment interest in a proposed or
36 licensed cannabis cultivator, cannabis manufacturer, cannabis
37 wholesaler, cannabis distributor, cannabis retailer, or cannabis
38 delivery service, in which no member of that group holds more than
39 a five percent interest in the total group investment interest, and the
40 person or entity makes controlling decisions regarding the proposed
41 or licensed cannabis cultivator, cannabis manufacturer, cannabis
42 wholesaler, cannabis distributor, cannabis retailer, or cannabis
43 delivery service operations.

44 "Television" means a system for transmitting visual images and
45 sound that are reproduced on screens, and includes broadcast, cable,
46 on-demand, satellite, or Internet programming. "Television" includes
47 any video programming downloaded or streamed via the Internet.

1 "THC" means the psychoactive chemicals contained in the
2 cannabis plant, including, but not limited to, delta-8, delta-9, delta-
3 10, tetrahydrocannabinolic acid, and any other chemically similar
4 compound, substance, derivative, or isomer of tetrahydrocannabinol
5 regardless of how derived or manufactured, and any other
6 cannabinoid, other than cannabidiol, identified by the Cannabis
7 Regulatory Commission, in consultation with the Department of
8 Agriculture and the Attorney General, as causing intoxication.

9 "Usable cannabis" means the dried leaves and flowers of the
10 female plant *Cannabis sativa* L., and does not include the seedlings,
11 seeds, stems, stalks, or roots of the plant.

12 (cf: P.L.2025, c.325, s.6)

13
14 4. Section 11 of P.L.2025, c.215 (C.24:6I-48.5) is amended to
15 read as follows:

16 11. a. (1) Notwithstanding the provisions of section 8 of P.L.2025,
17 c.215 (C.2C:35-10f), the holder of any valid and unrevoked plenary
18 wholesale license or plenary retail distribution license, as such terms
19 are defined in R.S.33:1-11 and R.S.33:1-12, or the holder of a valid
20 and unrevoked plenary retail consumption license that meets the
21 requirements of R.S.33:1-12 and section 1 of P.L.1948, c.98 (C.33:1-
22 12.23), may sell intoxicating hemp beverages until **【November 13,**
23 **2026】** the federal compliance date as defined in section 3 of
24 P.L.2021, c.16 (C.24:6I-33), after which date**【,】** the holder shall be
25 subject to the penalties and prohibitions established in section 8 of
26 P.L.2025, c.215 (C.2C:35-10f).

27 (2) Notwithstanding the provisions of section 8 of P.L.2025, c.215
28 (C.2C:35-10f), a person or entity that is licensed by the Cannabis
29 Regulatory Commission in accordance with P.L.2021, c.16 (C.24:6I-
30 31 et al.) may sell intoxicating hemp beverages until **【November 13,**
31 **2026】** the federal compliance date as defined in section 3 of
32 P.L.2021, c.16 (C.24:6I-33), after which date, the person or entity
33 shall be subject to the penalties and prohibitions established in
34 section 8 of P.L.2025, c.215 (C.2C:35-10f).

35 b. (1) (a) (Deleted by amendment, P.L.2026, c.13)

36 (b) Intoxicating hemp beverages sold, distributed, or offered for
37 sale pursuant to paragraph (1) of subsection a. of this section may be
38 stored or displayed in a place accessible to customers and may be
39 accessed without the assistance of an employee of the establishment
40 only if:

41 (i) the establishment segregates the storage or display of
42 intoxicating hemp beverages from other intoxicating liquors and
43 posts conspicuous notice at the place of storage or display indicating
44 to customers that the products are intoxicating hemp beverage
45 beverages and may only be purchased by a person 21 years of age or
46 older;

47 (ii) the establishment actively monitors the place of storage or
48 display;

(iii) an employee of the establishment confirms at the point of sale that the customer is 21 years of age or older and understands that they are purchasing an intoxicating hemp beverage and is informed of the appropriate serving size of the intoxicating hemp beverage being purchased; and

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

(2) Intoxicating hemp beverages sold, distributed, or offered for sale pursuant to subsection a. of this section shall conform to the requirements of subsection b. of section 12 of P.L.2025, c.215 (C.2C:35-10g).

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

(2) Nothing contained in P.L.2025, c.215 (C.2C:35-10f et al.) shall be construed to preclude the Division of Alcoholic Beverage Control from exercising the authority to enforce the rules and regulations governing activities taken by licensees on licensed premises or from taking disciplinary action against a licensee under Title 33 of the Revised Statutes based upon a determination by the division that the licensee committed a violation of P.L.2025, c.215 (C.2C:35-10f et al.).

(cf: P.L.2026, c.13, s.4)

5. Section 17 of P.L.2025, c.215 is amended to read as follows:

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

a. **【Section 11 shall expire upon the effective date of section 781 of Pub.L.119-37, November 13, 2026; and】** (Deleted by amendment, P.L. __, c. __) (pending before the Legislature as this bill)

b. Section 13 shall take effect on April 13, 2026. The Division of Taxation in the Department of the Treasury may take such anticipatory action as necessary to effectuate the provisions of P.L.2025, c.215 (C.2C:35-10f et al.).

(cf: P.L.2025, c.215, s.17)

6. This act shall take effect immediately.

STATEMENT

This bill aligns State restrictions on the sale of hemp products and intoxicating hemp beverages with federal law.

Under current State law, certain licensees of the Division of Alcoholic Beverage Control (ABC) or the Cannabis Regulatory Commission (CRC) may sell intoxicating hemp beverages.

1 In November 2025, the federal government amended the federal
2 definition of marijuana to include hemp, its derivatives, and the
3 production of certain hemp products. When these changes become
4 effective, the production of certain hemp products, including
5 intoxicating hemp beverages, will generally be prohibited.

6 This federal change was initially scheduled to take effect on
7 November 13, 2026. In September 2026, Congress enacted a
8 continuing resolution which partially delayed the effective date for
9 the relevant federal changes to December 11, 2026. On November
10 13, 2026, certain hemp products that contain cannabinoids that are
11 not capable of being naturally produced by a *Cannabis sativa* L. plant
12 will be classified as marijuana and thus illegal under federal law, but
13 other hemp products that contain cannabinoids that are capable of
14 being naturally produced by a *Cannabis sativa* L. plant will be
15 permitted until at least December 11, 2026.

16 To align with the continuing resolution, State law on hemp
17 products and intoxicating hemp beverages must be amended.
18 However, to accommodate potential further federal delays to the
19 effective date of the federal definition of hemp, this bill provides that
20 State law will be modified to comport with the changes in federal
21 law, whenever they become effective.

22 Under the bill, the sale of hemp products by ABC and CRC
23 licensees will remain legal until the federal compliance date, the date
24 the federal definitional changes become effective.