

SENATE, No. 3151

STATE OF NEW JERSEY

222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

Sponsored by:

Senator NICHOLAS P. SCUTARI

District 22 (Somerset and Union)

SYNOPSIS

Permits Governor to authorize interstate commercial cannabis activity in certain circumstances.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



S3151 SCUTARI

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1 AN ACT concerning interstate transportation or distribution of
2 medical or personal-use cannabis and amending and
3 supplementing Title 24 of the Revised Statutes.
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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
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8 1. Section 14 of P.L.2009, c.207 (C.24:6I-12) is amended to
9 read as follows:

10 14. a. The commissioner, or after the effective dates of P.L.2019,
11 c.153 (C.24:6I-5.1 et al.) and P.L.2021, c.16 (C.24:6I-31 et al.), the
12 commission, shall report to the Governor, and to the Legislature
13 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1):

14 (1) no later than one year after the effective date of P.L.2009,
15 c.307 (C.24:6I-1 et al.), on the actions taken to implement the
16 provisions of P.L.2009, c.307 (C.24:6I-1 et al.); and

17 (2) annually thereafter on the number of applications for
18 registration with the commission, the number of qualifying patients
19 registered, the number of designated and institutional caregivers
20 registered, the nature of the qualifying medical conditions of the
21 patients, the number of registrations revoked, the number of
22 medical cannabis cultivator, medical cannabis manufacturer, and
23 medical cannabis dispensary permits issued and revoked, the
24 number and type of integrated curricula approved, established, and
25 maintained in connection with an IC permit, the number of testing
26 laboratories licensed, the number of clinical registrant permits
27 issued and the nature of the clinical research conducted by each
28 clinical registrant, any incidents of diversion of medical cannabis,
29 information concerning racial, ethnic, disabled veteran, and gender
30 diversity in the individuals issued and currently holding permits
31 issued by the commission, the number of permit applications
32 received from businesses owned by minorities, disabled veterans,
33 and women and the number of such applications that were
34 approved, the business development initiatives undertaken by the
35 Office of Minority, Disabled Veterans, and Women Cannabis
36 Business Development pursuant to section 32 of P.L.2019, c.153
37 (C.24:6I-25) and the outcomes or effects of those initiatives,
38 statistics concerning arrests for drug offenses throughout the State
39 and in areas where medical cannabis dispensaries are located,
40 including information concerning racial disparities in arrest rates
41 for drug offenses generally and cannabis offenses in particular, the
42 number of motor vehicle stops by law enforcement involving
43 violations of R.S.39:4-50, or section 5 of P.L.1990, c.103 (C.39:3-
44 10.13) concerning operators of commercial motor vehicles, for
45 driving under the influence of medical cannabis, or suspicion

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 thereof, cataloged by the jurisdictions in which the stop occurred,
2 and the race, ethnicity, gender, and age of the vehicle driver and
3 any other vehicle occupants, the number of deliveries of medical
4 cannabis performed and the percentage of total medical cannabis
5 dispensations that were completed by delivery, **【and】** the number of
6 health care practitioners authorizing patients for the medical use of
7 cannabis, including the types of license or certification held by
8 those practitioners, and a list of interstate cannabis agreements
9 entered into pursuant to section 2 of P.L. , c. (C.)(pending
10 before the Legislature as this bill), including information regarding
11 the terms and conditions of each agreement, the activities
12 undertaken by State agencies to implement the agreement, and the
13 effects of the agreement on this State’s cannabis industry; and

14 (3) beginning no later than one year after the effective date of
15 P.L.2021, c.16 (C.24:6I-31 et al.), and annually thereafter in the
16 same report concerning information on medical cannabis activities
17 or a separate report, information on:

18 (a) the number of citations, arrests, or charges for
19 manufacturing, distributing, or possessing or having under control
20 with the intent to distribute marijuana or hashish in violation of
21 paragraph (12) of subsection b. of N.J.S.2C:35-5, or for obtaining
22 or possessing marijuana or hashish in violation of paragraph (3) of
23 subsection a. of N.J.S.2C:35-10, cataloged by the jurisdictions in
24 which the acts resulting in the citations, arrests, or charges
25 occurred, and the race, ethnicity, gender, and age of the persons
26 cited, arrested, or charged;

27 (b) the number of motor vehicle stops by law enforcement
28 involving violations of R.S.39:4-50, or section 5 of P.L.1990, c.103
29 (C.39:3-10.13) concerning operators of commercial motor vehicles,
30 for driving under the influence of personal use cannabis or
31 marijuana, or suspicion thereof, cataloged by the jurisdictions in
32 which the stop occurred, and the race, ethnicity, gender, and age of
33 the vehicle driver and any other vehicle occupants;

34 (c) the total number of personal use cannabis licenses issued
35 since the distribution of the previous report to the Governor and
36 Legislature, as well as the number for each class of license issued,
37 and the total number and type of applicants that submitted
38 applications for licenses and whether they were approved,
39 reapproved, or denied; **【and】**

40 (d) the data compiled by the Office of Minority, Disabled
41 Veterans, and Women Cannabis Business Development pursuant to
42 section 32 of P.L.2019, c.153 (C.24:6I-25) about participation in the
43 lawful operation of cannabis establishments, distributors, and
44 delivery services by persons from socially and economically
45 disadvantaged communities, including minority, disabled veterans',
46 and women's business licensing and business development in the
47 personal use cannabis marketplace, and the data shall include the
48 office's analysis of the total number of licenses applied for and

1 issued since the distribution of the previous report to the Governor
2 and Legislature compared with the total number of minority
3 businesses and women's businesses, as these terms are defined in
4 section 2 of P.L.1986, c.195 (C.52:27H-21.18), and disabled
5 veterans' businesses, as defined in section 2 of P.L.2015, c.116
6 (C.52:32-31.2), that submitted applications for licenses and whether
7 they were approved, reapproved, or denied; and

8 (e) a list of interstate cannabis agreements entered into pursuant
9 to section 2 of P.L. , c. (C.)(pending before the Legislature as
10 this bill), including information regarding the terms and conditions
11 of each agreement, the activities undertaken by State agencies to
12 implement the agreement, and the effects of the agreement on this
13 State's cannabis industry.

14 b. The reports shall not contain any identifying information of
15 patients, caregivers, or health care practitioners.

16 c. (1) Within two years after the effective date of P.L.2009, c.307
17 (C.24:6I-1 et al.) and every two years thereafter, the commissioner
18 or, after the effective date of P.L.2019, c.153 (C.24:6I-5.1 et al.),
19 the commission, shall: evaluate whether there are sufficient
20 numbers of medical cannabis cultivators, medical cannabis
21 manufacturers, medical cannabis dispensaries, and clinical
22 registrants to meet the needs of registered qualifying patients
23 throughout the State; evaluate whether the maximum amount of
24 medical cannabis allowed pursuant to P.L.2009, c.307 (C.24:6I-1 et
25 al.) is sufficient to meet the medical needs of qualifying patients;
26 and determine whether any medical cannabis cultivator, medical
27 cannabis manufacturer, medical cannabis dispensary, or clinical
28 registrant has charged excessive prices in connection with medical
29 cannabis.

30 The commissioner or, after the effective date of P.L.2019, c.153
31 (C.24:6I-5.1 et al.), the commission, shall report all such findings
32 no later than two years after the effective date of P.L.2009, c.307
33 (C.24:6I-1 et al.), and every two years thereafter, to the Governor,
34 and to the Legislature pursuant to section 2 of P.L.1991, c.164
35 (C.52:14-19.1).

36 (2) The commission, beginning no later than one year after the
37 effective date of P.L.2021, c.16 (C.24:6I-31 et al.), may also
38 include in its reports information concerning its periodic evaluation
39 of whether the existing numbers of cannabis cultivators, cannabis
40 manufacturers, cannabis wholesalers, cannabis distributors,
41 cannabis retailers, and cannabis delivery services are sufficient to
42 meet the personal use cannabis market demands of the State, and
43 actions the commission may take to issue additional cannabis
44 licenses as authorized by paragraph (1) of subsection a. of section
45 18 of P.L.2021, c.16 (C.24:6I-35), or if there is an oversupply of
46 licenses, as well as information about any increase in the rates of
47 use of marijuana and cannabis by persons under 21 years of age.

48 (cf: P.L.2021, c.16, s.7)

1 2. (New section) a. As used in this section:

2 “Agreement” means an agreement relating to commercial
3 cannabis authorized pursuant to this section and entered into
4 between this State and another state or states.

5 “Commission” means the Cannabis Regulatory Commission.

6 “Contracting state” means a state of the United States, including
7 a district, commonwealth, territory, or possession subject to the
8 legislative authority of the United States, with which the Governor
9 has entered into an agreement pursuant to this section.

10 “Foreign licensee” means the holder of a medical or personal-use
11 cannabis license issued pursuant to the laws of another State that
12 has entered into an agreement pursuant to this section.

13 “State license” means a medical or personal-use cannabis license
14 issued by the licensing authority of this State.

15 b. The Governor of this State is hereby authorized to enter into
16 an agreement with another state or states authorizing medicinal or
17 personal-use commercial cannabis activity, or both, between entities
18 licensed under the laws of the contracting state and entities
19 operating with a State license, provided that the following criteria
20 are met:

21 (1) the commercial cannabis activities are lawful and subject to
22 licensure under the laws of the contracting state; and

23 (2) with respect to the interstate transportation of cannabis or
24 cannabis products, the agreement prohibits the following:

25 (a) the transportation of cannabis and cannabis products by any
26 means other than those authorized under the laws of the contracting
27 state and the regulations of the commission; and

28 (b) the transportation of cannabis and cannabis products through
29 the jurisdiction of a state, district, commonwealth, territory, or
30 possession of the United States that does not authorize that
31 transportation.

32 c. Notwithstanding any other law, a foreign licensee may
33 engage in commercial cannabis activity with a State licensee and a
34 State licensee may engage in commercial cannabis activity with a
35 foreign licensee, subject to the requirements and limitations set
36 forth in this section.

37 A foreign licensee shall not engage in commercial cannabis
38 activity within the boundaries of this State without a State license,
39 or engage in commercial cannabis activity within a local
40 jurisdiction without proper authorization issued by the local
41 jurisdiction.

42 d. An agreement shall require that the contracting state impose
43 requirements on foreign licensees with regard to cannabis and
44 cannabis products to be sold or otherwise transferred or distributed
45 within this State that meet or exceed the requirements applicable to
46 State licensees, including the following:

47 (1) enforceable public health and safety standards that are
48 equivalent to the requirements of the commission;

1 (2) mandatory participation in a system administered by this
2 State to regulate and track cultivation, manufacturing, distribution,
3 transportation, sale, and destruction of cannabis and cannabis
4 products from seed to sale;

5 (3) standards for testing of cannabis or cannabis products that
6 meet or exceed the standards applicable to testing laboratories
7 licensed by the commission;

8 (4) requirements for the packaging and labeling of cannabis and
9 cannabis products that meet or exceed the packaging and labeling
10 requirements established pursuant to commission rules;

11 (5) requirements for quality assurance and inspection of
12 cannabis or cannabis products that meet or exceed the requirements
13 applicable to cannabis or cannabis products cultivated,
14 manufactured, or sold by State licensees;

15 (6) restrictions on marketing, labeling, and advertising within
16 this State by foreign licensees that meet or exceed the restrictions of
17 State licensees pursuant to P.L.2009, c.307 (C.24:6I-1 et seq.),
18 P.L.2021, c.16 (C.24:6I-31 et seq.), and commission rules; and

19 (7) a process for identification of adulterated or misbranded
20 cannabis products, and the destruction of those products, using
21 standards that meet or exceed the standards and procedures
22 promulgated by the commission.

23 An agreement shall require that the contracting state impose
24 restrictions upon advertising, marketing, labeling, or sale within the
25 contracting state that meet or exceed restrictions established
26 pursuant to P.L.2009, c.307 (C.24:6I-1 et seq.), P.L.2021, c.16
27 (C.24:6I-31 et seq.), and commission rules.

28 An agreement shall provide for collection of all applicable taxes.

29 e. An agreement shall include provisions requiring the
30 commission and any other appropriate regulatory authorities of the
31 contracting state to address public health and welfare emergencies
32 concerning cannabis or cannabis products that are sold or intended
33 for sale within this State, including for prompt recall or embargo of
34 adulterated or misbranded cannabis products.

35 An agreement shall include provisions requiring appropriate
36 regulatory authorities of each state to investigate instances of
37 alleged noncompliance with the commercial cannabis regulatory
38 rules and regulations upon request by the other state and in
39 accordance with mutually agree-upon procedures. An agreement
40 shall include provisions requiring the contracting state to reasonably
41 cooperate with this State's investigations concerning foreign
42 licensees, and requiring the commission to reasonably cooperate
43 with investigations by the contracting state concerning persons or
44 entities holding State licenses.

45 f. An agreement shall include provisions determined by the
46 Governor to promote the inclusion and support of individuals and
47 communities in the cannabis industry who are linked to populations

1 and neighborhoods that were negatively or disproportionately
2 impacted by cannabis criminalization.

3 g. The Governor is exempt from the rulemaking procedures and
4 requirements of the Administrative Procedure Act, P.L.1968, c.410
5 (C.52:14B-1 et seq.) when entering into an agreement, or
6 amendments to an agreement, provided that prior to execution of an
7 agreement or amendment to an agreement, the Governor shall:

8 (1) submit the proposed agreement or amendments to the Joint
9 Budget Oversight Committee for review and comment. The
10 committee shall have 60 days to review the proposed agreement or
11 amendment and to submit written recommendations to the
12 Governor. The committee shall only submit a recommendation to
13 the Governor if a majority of the members agree to that
14 recommendation. The Governor shall consider all recommendations
15 submitted by the committee and may revise the proposed agreement
16 or amendment to incorporate the recommendations. If the Governor
17 does not incorporate any recommendations, the Governor shall set
18 forth, in writing, the reasons for not incorporating the
19 recommendations; and

20 (2) post the proposed agreement or amendment on the
21 Governor's and commission's internet websites for public comment
22 for 30 days. The Governor shall consider any comments received.

23 h. An agreement entered into pursuant to this section shall not
24 take effect unless one of the following occurs:

25 (1) federal law is amended to allow for the interstate transfer of
26 cannabis or cannabis products between authorized commercial
27 cannabis businesses;

28 (2) federal law is enacted that specifically prohibits the
29 expenditure of federal funds to prevent the interstate transfer of
30 cannabis or cannabis products between authorized commercial
31 cannabis businesses;

32 (3) the United States Department of Justice issues an opinion or
33 memorandum allowing or tolerating the interstate transfer of
34 cannabis products between authorized commercial cannabis
35 businesses; or

36 (4) the Attorney General issues a written opinion that
37 implementation of agreements entered into under this section will
38 not result in significant legal risk to this State based on review of
39 federal judicial decisions and administrative action.

40 The commission shall notify the Governor and the Legislature
41 upon the occurrence of an event described in this subsection, and
42 shall post the notification on the commission's internet website.

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44 3. This act shall take effect immediately.

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STATEMENT

This bill permits the Governor to enter into interstate agreements authorizing medicinal or personal-use commercial cannabis activity, or both, between entities licensed in states in which cannabis is licensed.

Any interstate agreement is required to prohibit the commercial transportation of cannabis by any other means other than what is established in the agreement and also prohibit the transportation of cannabis through any state which does not authorize that transportation of cannabis. Any foreign licensee is required to obtain a license from this State and any proper authorization from a local jurisdiction prior to engaging in commercial cannabis activity.

Once the agreement is established, a State licensee is permitted to engage in commercial cannabis activity with a foreign licensee, i.e., the holder of a commercial cannabis license issued under the laws of another state. In order for the agreement to become effective, the bill requires that one of the following occur: (1) federal law is amended to allow for the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses; (2) federal law is enacted that specifically prohibits the expenditure of federal funds to prevent the interstate transfer of cannabis or cannabis products between authorized commercial cannabis businesses; (3) the United States Department of Justice issues an opinion or memorandum allowing or tolerating the interstate transfer of cannabis products between authorized commercial cannabis businesses; or (4) the Attorney General issues a written opinion that implementation of agreements entered into pursuant to the provisions of this bill will not result in significant legal risk to this State based on review of federal judicial decisions and administrative action.

Prior to making any agreement, the Governor is required to submit the proposed agreement to the Joint Budget Oversight Committee which will have 60 days to review the proposed agreement. The committee may submit a recommendation to the Governor upon agreement of the majority of the members. The proposed agreement also is required to be posted on the Governor's and Cannabis Regulatory Commission's internet websites for public comment for a period of 30 days.