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Module 1

The Start of the NJ Cannabis Industry

By Seth Tipton

Topics for Today

- Where is NJ today
- The Start of the NJ MMP

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How Did We Get Here

2010

The MMP is created under Governor Christie.

June 2018

Governor Murphy is elected to office and the DOH issues an RFA for 6 addition vertical licenses.

July 2019

- Lawmakers could not gather the support for adult use legislation.
- A20 is signed into law
- Statutory changes to the Medical Program
- Changes the name of the law to Jake Honig Compassionate Use Medical Cannabis Act (CUMCA)

Feb. 2020

The first Commissioner to CRC is appointed.

Oct. 2018

It takes the 6 licensed operators varying amounts of time to open. Harmony in Secaucus is the last to open.

June 2019

The Department of Health issues an RFA separate classes of permits.

Dec. 2019

Expungement Bill Passes.

Nov. 2020

Adult-Use Ballot Initiative Passes

https://www.nj.gov/health/medicalmarijuana/

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How Did We Get Here

Dec. 2020

Lawmakers pass S21 and deliver it to the Governor.

February 22, 2021 – the effective date

The Governor signs:
S21 – Adult Use
S2535 – Decriminalization
S3454 – Clean-up bill

April 2021

The CRC is appointed

Aug. 2021

The Personal Use Rules and Regulations are Adopted

Dec. 15, 2021

Application Portal for Cultivation and Manufacturing licenses open

March 15, 2022

The application portal for adult use dispensaries opens.

April 21, 2022

ADULT USE MARKET OPENS with 13 dispensaries

Aug. 1, 2022

NJ CRC releases Proposed Personal Use Cannabis Rule Updates

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https://www.nj.gov/health/medicalmarijuana/

How Did We Get Here

Oct. 2022

NJ Business Action Center Announces Technical Training Program

Nov. 2022

First stand-alone ATC dispensaries open in NJ – Valley Wellness and Sweet Spot

Dec. 2022

Recreational cannabis sales jump to more than $100 million in 2022 third quarter

Feb. 2023

NJ CRC removes caps on applications for processing and cultivation

May 2023

NJ-CRC grants licenses to open to the first adult-use only retailers & launches updated "Find a Dispensary" online directory

June 2023

NJ Senate Judiciary Committee holds hearings asking the CRC some tough questions

Summer 2023

Summer 2023 – Wholesale and Distribution License Application Portal to go live

January 2024

NJ-CRC approves rules for cannabis consumption areas

March 2024

New Jersey cannabis sales top $2 billion in last 6 years

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https://www.nj.gov/health/medicalmarijuana/

History of The New Jersey Compassionate Use Medical Marijuana Act

News

N.J. medical marijuana law is signed

Updated Apr 01, 2019; Posted Jan 19, 2010

By Claire Heininger/Statehouse Bureau

TRENTON -- Gov. Jon Corzine tonight signed a measure making New Jersey the 14th state to legalize marijuana for medicinal purposes, part of a flurry of bills the Democrat penned in his last full day on the job.

Passed in 2009.
Signed by Governor Corzine on January 18, 2010.
New Jersey was the 14th State in the US to legalize medical marijuana.

"Compassion dictates" that medical marijuana be treated differently than non-medical marijuana to protect patients with certain medical conditions from prosecution."

Medical marijuana was limited to "debilitating medical conditions"

- **If "resistant to medical conventional medical therapy"**
- **Seizure disorder and epilepsy, intractable skeletal muscular spasticity, post-traumatic stress disorder, glaucoma**
- **HIV, AIDS or cancer *if* they result in: Severe or chronic pain, severe nausea or vomiting, or wasting syndrome**
- **ALS, multiple sclerosis, terminal cancer, muscular dystrophy, inflammatory bowel disease and Crohn's disease**
- **Terminal illness where patient's prognosis is less than 12 months**
- **Other medical conditions approved by the Department of Health by regulation.** [Formerly N.J.S.A 24:6I-3]

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The New York Times

Murphy Starts to Expand Access to Medical Marijuana in New Jersey

lip D. Murphy at his inauguration on Jan. 16 in Trenton. Although he
n full marijuana legalization in New Jersey, objections from
d questions about its future. Rick Loomis for

Executive Order 6 - January 2018

Ordered the Department of Health to review the program within 60 days "with a focus on ways to expand access to marijuana for medical purposes."

Administrative Changes Take Effe in 2019

- **Reduced registration fees from $200 to $100. Or $20 if you qualify.**
- **Added one additional (now 2) qualifying caregivers.**
- **Added seven eligible conditions, including: PTSD, anxiety, chronic pain of visceral origin, chronic pain related to muscoskeletal disorders, migraines, Tourette syndrome, opioid use disorder.**
- **Permit physicians to opt out of public list of participating physicians.**
- **Expanded forms of medical marijuana to include oil-based formulations, like vape cartridges.**

- **Create endorsement system for licensing businesses (no longer only vertical licensing).**
- **Remove requirement for psychiatric evaluation for minor patients.**

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https://www.nytimes.com/2018/01/23/nyregion/new-jersey-medical-marijuana.html?auth=login-email&login=email

DOH Recommendations for Statutory Change

- Allow edibles for all patients, instead of just minors.
- Permit patients to register with more than one ATC.
- Make medical marijuana a first-line treatment.
- Allow unlimited supply for hospice patients
- Increase monthly limit for other patients from two ounces to four ounces
- Remove nonprofit requirement for original six ATC's

Medicinal Marijuana Program Now Serves Over 100,000 Patients

Following the addition of new qualifying medical conditions as well as lowered patient and caregiver fees, the Medicinal Marijuana Program has seen the number of patients in the program more than quadruple since the day Governor Murphy took office in January. 104,253 patients are in the program. 1,259 doctors and 3,930 caregivers also participate.

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Infrastructure for Adult Use

In New Jersey - Adult use legislation (Bill S2703) did not pass in the Spring of 2019.

New York also failed to pass adult use in 2019.

BUT,

July 2019 – NJ passes A20 – *aka* Jake Honig's Law - expanding the existing medical program.

https://www.nj.com/

A20 created the same infrastructure that the Adult Use law would have – mainly the CRC.

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A20 is signed into law, July 2019
Statutory changes to the Medical Program

Jake Honig Compassionate Use Medical Cannabis Act (CUMCA)

Notable A20 Changes

- Prohibits schools from refusing to enroll based *solely* on the person's status as a registrant.
- Prohibits housing discrimination against patients.
- Prohibits adverse action in connection with, any license, certification, or permit issued pursuant to State law *solely* on the person's status as a registrant
- Expands ATC licensing to make cannabis more accessible to patients.
- Creates the CRC.
- Allows for home delivery.
- Added qualifying conditions, and other aspects that make it easier to be a patient in the program.
- Regulates the number and application process for Alternative Treatment Centers (ATC's).
- Establishes the Cannabis Regulatory Commission (CRC).
- Eventually transfers regulatory functions from the Department of Health to the CRC.
- Allows CRC to require specific training before working in the industry.

2020 Constitutional Amendment

Amends Article IV, Section VII

13. The growth, cultivation, processing, manufacturing, preparing, packaging, transferring, and retail purchasing and consumption of cannabis, or products created from or which include cannabis, by persons 21 years of age or older, and not by persons under 21 years of age, shall be lawful and subject to regulation by the Cannabis Regulatory Commission created by P.L.2019, c.153 (C.24:6I-5.1 et al.), or any successor to that commission.

(1) The commission's or successor's regulatory authority concerning legalized cannabis shall be authorized by law enacted by the Legislature.

(2) The receipts from retail purchases of cannabis or products created from or which include cannabis shall only be subject to the tax imposed under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et. seq.), as amended and supplemented, or any other subsequent law of similar effect; provided, however, that a municipality, subject to authorization by law enacted by the Legislature, may adopt an ordinance to impose an additional municipal tax on the sale, or any other form of transfer, of cannabis or products created from or which include cannabis by an authorized party located in a municipality. The municipal tax rate shall not exceed two percent of the receipts from each sale of cannabis or products created from or which include cannabis by an authorized party or the equivalent value from any other form of transfer by an authorized party.

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Not so new, New Jersey Laws

S21 or the CREAMM ACT - ***Legalizes*** possession of 1oz or less for 21+.

S2535 - *Decriminalizes* possession of up to 6 oz and distribution of up to 1 oz of marijuana. First offense subject to written warning. Can only impose fines as a result of subsequent offenses.

S3454 – "Cleans-Up" the discrepancies between S21 and S2535 regarding penalties for those under 21. . .and other things.

Those under 21 are subject to: first offense = warning (parents now notified, see below), second offense = warning, third and subsequent offenses = write-up with a referral for accessing community.

A5472 – Passed on 3/26/2021 – revises **S3454** and now mandates that parents of those under 18 are notified for first cannabis/marijuana offenses, and limits detention to writing of the ticket.

Passed by both houses on Dec. 17, 2020

Signed into Law 2/22/21

[Second Reprint]

SENATE, No. 21

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED NOVEMBER 5, 2020

Sponsored by:
Senator NICHOLAS P. SCUTARI
District 22 (Middlesex, Somerset and Union)
Senator STEPHEN M. SWEENEY
District 3 (Cumberland, Gloucester and Salem)

SYNOPSIS

"New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act"; legalizes personal use cannabis for certain adults, subject to State regulation; decriminalizes small amount marijuana and hashish possession; removes marijuana as Schedule I drug.

CURRENT VERSION OF TEXT

As reported by the Senate Judiciary Committee on December 14, 2020, with amendments.

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Thank You