

AMENDMENTS

to

SENATE, No. 2703

(Sponsored by Senators SCUTARI and SWEENEY)

REPLACE TITLE TO READ:

AN ACT concerning **¹【marijuana legalization】** the regulation and use of cannabis¹, and amending and supplementing various parts of the statutory law.

REPLACE SECTION 1 TO READ:

1. (New section) This act shall be known and may be cited as the “New Jersey **¹【Marijuana Legalization】** Cannabis Regulatory and Expungement Aid Modernization¹ Act.”

REPLACE SECTION 2 TO READ:

2. (New section) Findings and Declarations.
The Legislature finds and declares that:
- a. It is the intent of the people of New Jersey to adopt a new approach to our marijuana policies by taxing, controlling, and legalizing **¹【marijuana like】** a marijuana product, to be referred to as cannabis, in a similar fashion to the regulation of¹ alcohol for adults;
 - b. It is the intent of the people of New Jersey that the provisions of this act will prevent the sale or distribution of **¹【marijuana】** cannabis¹ to persons under 21 years of age;
 - c. This act is designed to eliminate the problems caused by the unregulated manufacture, distribution, and use of **¹illegal¹** marijuana within New Jersey;
 - d. This act will divert funds from marijuana sales from going to illegal enterprises, gangs, and cartels;
 - e. New Jersey law enforcement officers made over 24,000 arrests for marijuana possession in 2012, more than in the previous 20 years;
 - f. In 2012, a person was arrested for marijuana possession in New Jersey approximately every 22 minutes;
 - g. Black New Jerseyans are nearly three times more likely to be arrested for marijuana possession than white New Jerseyans, despite similar usage rates;
 - h. Marijuana possession arrests constituted three out of every five drug arrests in New Jersey in 2012;

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i. New Jersey spends approximately \$127 million per year on marijuana possession enforcement costs;

j. Taxing, controlling, and legalizing ¹["marijuana"] cannabis¹ for adults like alcohol will free up precious resources to allow our criminal justice system to focus on serious crime and public safety issues;

k. Taxing, controlling, and legalizing ¹["marijuana"] cannabis¹ for adults like alcohol will strike a blow at the illegal enterprises that profit from New Jersey's current, unregulated ¹illegal¹ marijuana ¹["illegal"]¹ market;

l. New Jersey must strengthen our support for evidence-based, drug prevention programs that work to educate New Jerseyans, particularly young New Jerseyans, about the harms of drug abuse;

m. New Jersey must enhance State-supported programming that provides appropriate, evidence-based treatment for those who suffer from the illness of drug addiction;

n. Controlling and regulating the manufacture, distribution, and sale of ¹["marijuana"] cannabis¹ will strengthen our ability to keep ¹it and illegal¹ marijuana away from minors;

o. A controlled system of ¹["marijuana"] cannabis¹ manufacturing, distribution, and sale must be designed in a way that enhances public health and minimizes harms to New Jersey communities and families;

p. The regulated ¹["marijuana"] cannabis¹ system in New Jersey must be regulated so as to prevent persons younger than 21 years of age from accessing or purchasing ¹["marijuana"] cannabis¹;

q. A marijuana arrest in New Jersey can have a debilitating impact on a person's future, including consequences for one's job prospects, housing access, financial health, familial integrity, immigration status, and educational opportunities;

r. The tax revenue generated from a controlled ¹["marijuana"] cannabis¹ manufacture, distribution, and retail sales system in New Jersey will generate hundreds of millions of dollars to bolster effective, evidence-based drug treatment and education, and to reinvest in New Jersey communities; and

s. New Jersey cannot afford to sacrifice its public safety and civil rights by continuing its ineffective and wasteful ¹past¹ marijuana enforcement policies.

REPLACE SECTION 3 TO READ:

3. (New section) As used in P.L. , c. (C.) (pending before the Legislature as this bill) ¹regarding the personal use of cannabis¹, unless the context otherwise requires:

¹“Alternative treatment center” means an entity issued a permit to engage in activities associated with medical cannabis pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.).

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“Cannabis” means all parts of the plant Genus Cannabis L., whether growing or not, the seeds thereof, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant, which are cultivated and processed in accordance with P.L. , c. (C.) (pending before the Legislature as this bill) for use in cannabis items as set forth in this act, but shall not include the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product. “Cannabis” does not include medical cannabis dispensed to registered qualifying patients pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.), marijuana as defined in N.J.S.2C:35-2 and applied to any offense or civil violation set forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or marihuana as defined in section 2 of P.L.1970, c.226 (C.24:21-2) and applied to any offense of the “New Jersey Controlled Dangerous Substances Act,” P.L.1970, c.226 (C.24:21-1 et al.).

“Cannabis consumption area” means a designated location operated by a cannabis retailer or alternative treatment center, for which both a State and local endorsement has been obtained, that is either: (1) an indoor, structurally enclosed area of a cannabis retailer or alternative treatment center that is separate from the area in which retail sales of cannabis items or the dispensing of medical cannabis occurs; or (2) an exterior structure on the same premises as the cannabis retailer or alternative treatment center, either separate from or connected to the retailer or center, at which cannabis items or medical cannabis either obtained from the retailer or center, or brought by a person to the consumption area, may be consumed.

“Cannabis Regulatory Commission” means the commission established in but not of the Department of the Treasury.

“Cannabis establishment” means a cannabis grower, also referred to as a cannabis cultivation facility, a cannabis processor, also referred to as cannabis product manufacturing facility, a cannabis wholesaler, or a cannabis retailer.

“Cannabis extract” means a substance obtained by separating resins from cannabis by: (1) a chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane, or propane; (2) a chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or (3) any other process identified by the commission by rule.

“Cannabis flowers” means the flowers of the plant Genus Cannabis L. within the plant family Cannabaceae.

“Cannabis grower” means any licensed person or entity that grows, cultivates, or produces cannabis in this State, and may sell this cannabis to other cannabis growers, cannabis processors, cannabis wholesalers, or cannabis retailers, but not to consumers. This person

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or entity shall hold a Class 1 Cannabis Grower license. A cannabis grower may also be referred to as a "cannabis cultivation facility."

"Cannabis items" means cannabis, cannabis products, and cannabis extracts.

"Cannabis leaves" means the leaves of the plant genus Genus Cannabis L. within the plant family Cannabaceae.

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

"Cannabis processor" means any licensed person or entity that processes cannabis items in this State by purchasing cannabis, manufacturing, preparing, and packaging cannabis items, and selling these items to other cannabis processors, cannabis wholesalers, or cannabis retailers, but not to consumers. This person or entity shall hold a Class 2 Cannabis Processor license. A cannabis processor may also be referred to as a "cannabis product manufacturing facility."

"Cannabis product" means a product containing cannabis or cannabis extracts and other ingredients intended for human consumption or use, including a product intended to be applied to the skin or hair, edible products, ointments, and tinctures. Cannabis products do not include: (1) cannabis by itself; or (2) cannabis extract by itself.

"Cannabis resin" means the resin extracted from any part of the plant Genus Cannabis L. and any compound, manufacture, salt, derivative, mixture, or preparation of such resin, processed and used in accordance with P.L. _____, c. (C. _____) (pending before the Legislature as this bill). "Cannabis resin" does not include hashish as defined in N.J.S.2C:35-2 and applied to any offense or civil violation set forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or as defined in section 2 of P.L.1970, c.226 (C.24:21-2) and applied to any offense of the "New Jersey Controlled Dangerous Substances Act," P.L.1970, c.226 (C.24:21-1 et al.).

"Cannabis retailer" means any licensed person or entity that purchases cannabis from cannabis growers and cannabis items from cannabis processors or cannabis wholesalers, and sells these to consumers from a retail store. This person or entity shall hold a Class 4 Cannabis Retailer license.

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

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“Cannabis wholesaler” means any licensed person or entity that sells cannabis items or cannabis paraphernalia for the purpose of resale either to another cannabis wholesaler or to a cannabis retailer. This person or entity shall hold a Class 3 Cannabis Wholesaler license.¹

"Consumer" means a person 21 years of age or older who purchases, acquires, owns, holds, or uses ¹**【marijuana or marijuana products】** cannabis items¹ for personal use by a person 21 years of age or older, but not for resale to others.

“Consumption” means the act of ingesting, inhaling, or otherwise introducing ¹**【marijuana】** cannabis items¹ into the human body.

¹“Delivery” means the transportation of cannabis items and related supplies to a consumer. “Delivery” also includes the use by a licensed cannabis retailer of any third party technology platform to receive, process, and fulfill orders by consumers, provided that any physical acts in connection with filling the order and delivery shall be accomplished by a certified cannabis handler performing work for or on behalf of the licensed cannabis retailer.

“Department” means the Department of Health.¹

"Director" means the Director of the ¹**【Division】** Office¹ of ¹**【Marijuana Enforcement】** Minority, Disabled Veterans, and Women Cannabis Business Development in the Cannabis Regulatory Commission¹.

¹**【“Division” means the Division of Marijuana Enforcement in the Department of the Treasury.】**

“Executive director” means the executive director of the Cannabis Regulatory Commission.¹

“Financial consideration” means value that is given or received either directly or indirectly through sales, barter, trade, fees, charges, dues, contributions or donations¹**【**; but does not include: homegrown marijuana that is given or received when nothing is given or received in return; or homegrown marijuana products that are given or received when nothing is given or received in return.

“Hashish” means the resin extracted from any part of the plant Genus Cannabis L. and any compound, manufacture, salt, derivative, mixture, or preparation of such resin¹**】**.

“Household” means a housing unit and any place in or around a housing unit ¹**【**at which the occupants of the housing unit are producing, processing, or storing homegrown marijuana or homemade marijuana products¹**】**.

“Housing unit” means a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters, in which the occupants live and eat separately from any other persons in the building and which have direct access from the outside of the building or through a common hall.

“Immature ¹**【marijuana】** cannabis¹ plant” means a ¹**【marijuana】** cannabis¹ plant that is not flowering.

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“Impact zone” means any ¹**[census tract]** local governmental entity, based on past criminal marijuana enterprises contributing to higher concentrations of law enforcement activity, unemployment, and poverty within parts of or throughout the entity,¹ that ¹:

(1) has a population of 120,000 or more according to the most recently compiled federal decennial census as of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill); or

(2)¹ ranks in the top 33 percent of ¹**[census tracts]** local governmental entities¹ in the State for ¹**[marijuana-related]** marijuana- or hashish-related¹ arrests ¹**[and that ranks in the bottom 33 percent of census tracts in the State for median household income]** for violation of paragraph (4) of subsection a. of N.J.S.2C:35-10 in the calendar year next preceding the effective date of P.L. , c. (C.) (pending before the Legislature as this bill); has a crime index total of 1,000 or higher based upon the indexes listed in the most recently issued annual Uniform Crime Report by the Division of State Police as of that effective date; and has a local governmental entity average annual unemployment rate that ranks in the top 15 percent of all local governmental entities for the calendar year next preceding that effective date, 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 Development¹.

¹**[“Industrial hemp” means the plant of the Genus Cannabis L. and any part of such plant, whether growing or not, with a delta-9 tetrahydrocannabinol concentration that does not exceed three-tenths percent on a dry weight basis.]**

“License” includes a conditional license issued pursuant to an abbreviated application process, after which the conditional license holder has a limited period of time in which to become subsequently, fully licensed by satisfying all of the remaining conditions for licensure which were not required for the issuance of the conditional license, except when the context of the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) otherwise intend to only apply to a license and not a conditional license.¹

“Licensee” means a person ¹**[who]** or entity that¹ holds a license issued under ¹**[this act]** P.L. , c. (C.) (pending before the Legislature as this bill)¹ that is designated as either a Class 1 ¹**[Marijuana]** Cannabis¹ Grower license, a Class 2 ¹**[Marijuana]** Cannabis¹ Processor license, a Class 3 ¹**[Marijuana]** Cannabis¹ Wholesaler license, or a Class 4 ¹**[Marijuana]** Cannabis¹ Retailer license ¹, and includes a person or entity that holds a conditional license for a designated class, except when the context of the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) otherwise intend to only apply to a person or entity that holds a license and not a conditional license¹.

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

“Local governmental entity” means a municipality.

¹“Marijuana” means all parts of the plant Genus Cannabis L., whether growing or not; the seeds thereof, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant; but shall not include the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other product.

“Marijuana Cultivation facility” means a facility licensed to a Class 1 Marijuana Grower to grow and cultivate marijuana, and to sell marijuana to marijuana product manufacturing facilities, and to other marijuana cultivation facilities, but not to consumers.

“Marijuana establishment” means a marijuana cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility, or a marijuana retailer.

“Marijuana extract” means a substance obtained by separating resins from marijuana by: a. a chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane, or propane; b. a chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or c. any other process identified by the division by rule.

“Marijuana flowers” means the flowers of the plant Genus Cannabis L. within the plant family Cannabaceae.

“Marijuana grower” means a person who grows, cultivates or produces marijuana in this State.

“Marijuana items” means marijuana, marijuana products, and marijuana extracts.

“Marijuana leaves” means the leaves of the plant genus Genus Cannabis L. within the plant family Cannabaceae.

“Marijuana paraphernalia” means any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise introducing marijuana into the human body.

“Marijuana processor” means a person who processes marijuana items in this State. This entity shall hold a Class 2 Marijuana Processor license.

“Marijuana product manufacturing facility” means an entity licensed to purchase marijuana; manufacture, prepare, and package marijuana items; and sell items to other marijuana product manufacturing facilities and to marijuana retailers, but not to consumers.

“Marijuana product” means a product containing marijuana or marijuana extracts and other ingredients intended for human

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consumption or use, including a product intended to be applied to the skin or hair, edible products, ointments, and tinctures. Marijuana products do not include: a. marijuana by itself; or b. marijuana extract by itself.

“Marijuana retailer” means an entity licensed to purchase marijuana from marijuana cultivation facilities and marijuana items from marijuana product manufacturing facilities or marijuana wholesalers, and to sell marijuana and marijuana products to consumers from a retail store, which shall also be known as a dispensary. This entity shall hold a Class 4 Marijuana Retailer license.

“Marijuana testing facility” means an independent, third-party entity meeting accreditation requirements established by the division that is licensed to analyze and certify the safety and potency of marijuana items.

“Marijuana wholesaler” means any licensed person or entity who sells marijuana items or marijuana paraphernalia for the purpose of resale either to a licensed marijuana wholesaler or to a licensed marijuana retailer. This entity shall hold a Class 3 Marijuana Wholesaler license.】¹

“Mature ¹【marijuana】 cannabis¹ plant” means a ¹【marijuana】 cannabis¹ plant that is not an immature ¹【marijuana】 cannabis¹ plant.

¹【“Medical marijuana alternative treatment center” means an entity permitted by the Department of Health to sell marijuana and marijuana products pursuant to the “New Jersey Compassionate Use Medical Marijuana Act” P.L.2009, c.307 (C.24:6I-1 et al.).】

“Medical cannabis” means cannabis dispensed to registered qualifying patients pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.), as both are amended and supplemented by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), and includes medical marijuana dispensed under those acts prior to the provisions of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426) taking effect.

“Microbusiness” means a person or entity licensed by the commission as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer that may only, with respect to its business operations, and capacity and quantity of product: (1) employ no more than 10 employees; (2) operate a cannabis establishment occupying an area of no more than 2,500 square feet, and in the case of a cannabis grower, grow cannabis on an area no more than 2,500 square feet measured on a horizontal plane and grow above that plane not higher than 24 feet; (3) possess no more than 1,000 cannabis plants each month; (4) acquire and process, in the case of a cannabis processor, no more than 1,000 pounds of cannabis in dried form in each month; (5) acquire for resale, in the case of a cannabis wholesaler, no more than 1,000 pounds of cannabis in dried form, or the equivalent amount in any other form,

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or any combination thereof, each month; and (6) acquire for retail sale, in the case of a cannabis retailer, no more than 1,000 pounds of cannabis in dried form, or the equivalent amount in any other form, or any combination thereof, each month.

“New Jersey Compassionate Use Medical Cannabis Act” includes all provisions of P.L.2009, c.307 (C.24:6I et al.), as amended and supplemented by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), as well as all provisions of P.L.2009, c.307 (C.24:6I et al.) in effect on the date next preceding the effective date of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426) until the date those provisions are amended or supplemented.¹

“Noncommercial” means not dependent or conditioned upon the provision or receipt of financial consideration.

“Premises” or “licensed premises” includes the following areas of a location licensed under P.L. , c. (C.) (pending before the Legislature as this bill): all public and private enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms, and storerooms; all areas outside a building that the ¹【division】 commission¹ has specifically licensed for the production, processing, wholesale sale, or retail sale of ¹【marijuana】 cannabis¹ items; and, for a location that the ¹【division】 commission¹ has specifically licensed for the production of ¹【marijuana】 cannabis¹ outside a building, the entire lot or parcel that the licensee owns, leases, or has a right to occupy.

“Processes” means the processing, compounding, or conversion of ¹【marijuana】 cannabis¹ into ¹【marijuana】 cannabis¹ products or ¹【marijuana】 cannabis¹ extracts. “Processes” does not include packaging or labeling.

“Produces” means the manufacture, planting, cultivation, growing or harvesting of ¹【marijuana】 cannabis¹. “Produces” does not include the drying of ¹【marijuana】 cannabis¹ by a ¹【marijuana】 cannabis¹ processor, if the ¹【marijuana】 cannabis¹ processor is not otherwise producing ¹【marijuana】 cannabis¹; or the cultivation and growing of an immature ¹【marijuana】 cannabis¹ plant by a ¹【marijuana】 cannabis¹ processor, ¹【marijuana】 cannabis¹ wholesaler, or ¹【marijuana】 cannabis¹ retailer if the ¹【marijuana】 cannabis¹ processor, ¹【marijuana】 cannabis¹ wholesaler, or ¹【marijuana】 cannabis¹ retailer purchased or otherwise received the plant from a licensed ¹【marijuana】 cannabis¹ grower.

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

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“Radio” means a system for transmitting sound without visual images, and includes broadcast, cable, on-demand, satellite, or internet programming. “Radio” includes any audio programming downloaded or streamed via the Internet.

¹“Retail marijuana consumption area” means an establishment where a new or existing marijuana retail licensee has been approved for a retail marijuana consumption area endorsement to sell retail marijuana, retail marijuana concentrate, and retail marijuana product for consumption on the premises.¹

“Significantly involved person” means a person or entity ¹that is : in a sole proprietorship, the proprietor; in a partnership, limited partnership, limited liability partnership, or limited liability company, a natural person or natural persons among its partnership or membership who in the aggregate individually own or owns, directly or indirectly through business entities, a 20 percent or greater interest in the company; in a nonpublic corporation, a natural person or natural persons among its shareholders who in the aggregate individually own or owns, directly or indirectly, at least 20 percent of the corporation’s total outstanding shares; in a publicly traded corporation or a majority-owned subsidiary of a publicly traded corporation, natural persons who in the aggregate comprise at least 20 percent of the board of directors or governing body of the publicly traded parent corporation; or in a nonprofit corporation, employee cooperative, or association, natural persons who in the aggregate comprise at least 20 percent of the board of directors or governing body as constituted under the “New Jersey Nonprofit Corporation Act,” N.J.S.15A:1-1 et seq.¹ who holds at least a five percent investment interest in a proposed or licensed cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer, or who is a decision making member of a group that holds at least a 20 percent investment interest in a proposed or licensed cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer in which no member of that group holds more than a five percent interest in the total group investment interest, and the person or entity makes controlling decisions regarding the proposed or licensed cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer operations¹.

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

“THC” means delta-9-tetrahydrocannabinol, the main psychoactive chemical contained in the cannabis plant.

“Unreasonably impracticable” means that the measures necessary to comply with the regulations require such a high investment of risk, money, time, or any other resource or asset that the operation of a ¹“marijuana” cannabis¹ establishment is not worthy of being carried out in practice by a reasonably prudent businessperson.

REPLACE SECTION 4 TO READ:

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4. (New section) Personal Use of ~~1[Marijuana]~~ Cannabis or Cannabis Resin¹.

Notwithstanding any other provision of law, the following acts are not unlawful and shall not be ~~1[a criminal]~~ an¹ offense or a basis for seizure or forfeiture of assets under N.J.S.2C:64-1 et seq. or other applicable law for persons 21 years of age or older:

a. Possessing, ~~1[using]~~ displaying¹, purchasing, or transporting: ~~1[marijuana]~~ cannabis¹ paraphernalia; one ounce ~~1(28.38 grams)~~¹ or less of ~~1[marijuana]~~ cannabis¹; ~~1[16 ounces]~~ the equivalent of one ounce (28.38 grams)¹ or less of ~~1[marijuana]~~ cannabis¹ infused product in solid ¹, liquid, or concentrate¹ form ¹, based upon an equivalency calculation for different product forms set by the commission in its regulations, and for which the commission may utilize research conducted in other states on the issue of product equivalency calculations when setting this equivalency¹; ~~1[72 ounces or less in liquid form; 7 grams or less of marijuana concentrate; and up to 6 immature marijuana plants subject to the provisions of subsection b. of this section]~~ or five grams (0.176 ounces) or less of cannabis resin. Possessing, displaying, purchasing, or transporting at any one time any amount of cannabis or cannabis resin in an amount greater than as permitted pursuant to this subsection, or an infused product in solid, liquid, or concentrate form with more than the equivalency permitted pursuant to this subsection shall be considered a violation of the “Comprehensive Drug Reform Act of 1987,” P.L.1987, c.106 (N.J.S.2C:35-1 et al.), and subject the person to a civil penalty or prosecution as if the person possessed, displayed, purchased, or transported marijuana or hashish in violation of that act¹;

b. ~~1[Transfer of]~~ Transferring without remuneration:¹ one ounce ~~1(28.38 grams)~~¹ or less of ~~1[marijuana]~~ cannabis¹; ~~1[16 ounces]~~ the equivalent of one ounce (28.38 grams)¹ or less of ~~1[marijuana]~~ cannabis¹ infused product in solid ¹, liquid, or concentrate¹ form ¹, based upon the equivalency calculation for different product forms set by the commission pursuant to subsection a. of this section¹; ~~1[72 ounces or less in liquid form; 7 grams or less of concentrate; and up to 6 immature plants, without marijuana cultivation facility]~~ or five grams (0.176 ounces) or less of cannabis resin¹ to a person who is of ~~1[or over the]~~¹ legal age for purchasing ~~1[marijuana]~~ cannabis¹ items, provided that such transfer is for non-promotional, non-business purposes ¹. Transferring at any one time any amount of cannabis or cannabis resin in an amount greater than as permitted pursuant to this subsection, or an infused product in solid, liquid, or concentrate form with more than the equivalency permitted pursuant to this subsection, or to a person who is not of legal age to purchase cannabis items, shall be considered a violation of the “Comprehensive Drug Reform Act of 1987,” P.L.1987, c.106 (N.J.S.2C:35-1 et al.), and subject the person to prosecution as if the person distributed marijuana or hashish in violation of that act, unless the transfer to a person who is not of legal

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age was done by a cannabis establishment licensed pursuant to P.L. , c. (C.) (pending before the Legislature as this bill), or an employee or agent thereof, in which case it is a civil violation and the civil penalty set forth in subsection b. of section 6 of P.L. , c. (C.) (pending before the Legislature as this bill) shall apply¹;

c. Consumption of ¹【marijuana items】 a lawfully possessed cannabis item¹, provided that nothing in this section shall permit a person to smoke or otherwise consume ¹【marijuana items】 any cannabis item¹ in a public place ¹. This prohibition includes the smoking of a cannabis item in any public place pursuant to law that prohibits the smoking of tobacco, including N.J.S.2C:33-13 and the “New Jersey Smoke-Free Air Act,” P.L.2005, c.383 (C.26:3D-55 et seq.), and any indoor public place, as that term is defined in section 3 of P.L.2005, c.383 (C.26:3D-57), or portion thereof, even if the smoking of tobacco is otherwise permitted in that place or portion thereof pursuant to the “Smoke-Free Air Act”; except that the smoking of a cannabis item shall be permitted in a cannabis consumption area as set forth in section 71 of P.L. , c. (C.) (pending before the Legislature as this bill), and may be permitted by the person or entity that owns or controls a hotel, motel, or other lodging establishment as defined in section 1 of P.L.1967, c.95 (C.26:3D-60) in up to 20 percent of its guest rooms. The smoking of a cannabis item may also be prohibited or otherwise regulated in multifamily housing that is a multiple dwelling as defined in section 3 of P.L.1967, c.76 (C.55:13A-3), as decided by the person or entity that owns or controls the multifamily housing. Any penalties that may be assessed for the smoking of tobacco where prohibited under the “New Jersey Smoke-Free Air Act” shall be applicable to the smoking of cannabis where prohibited. Concerning the consumption of any cannabis item, other than by smoking: a person or entity that owns or controls a property, except for multifamily housing that is a multiple dwelling as defined in section 3 of P.L.1967, c.76 (C.55:13A-3), may prohibit or otherwise regulate the consumption of cannabis items on or in that property, including a casino hotel facility as defined in section 19 of P.L.1977, c.110 (C.5:12-19) with respect to a hotel property, a casino as defined in section 6 of P.L.1977, c.110 (C.5:12-6), or casino simulcasting facility authorized pursuant to the “Casino Simulcasting Act,” P.L.1992, c.19 (C.5:12-191 et seq.); and a local governmental entity may enact an ordinance making it an unlawful act for any person 21 years of age or older to consume, other than by smoking, any cannabis item in a public place, including any indoor public place as that term is defined in section 3 of P.L.2005, c.383 (C.26:3D-57), or portion thereof, and providing a civil penalty for a violation in accordance with section 45 of P.L. , c. (C.) (pending before the Legislature as this bill)¹; and

d. Assisting another person who is of ¹【or over the】¹ legal age for purchasing ¹【marijuana】 cannabis¹ items in any of the acts described in subsections a. through c. of this section.

REPLACE SECTION 5 TO READ:

5. (New section) Lawful Operation of ¹**[Marijuana] Cannabis**¹ Establishments.

Notwithstanding any other provision of law, the following acts are not unlawful and shall not be a criminal offense or a basis for seizure or forfeiture of assets under N.J.S.2C:64-1 et seq. or other applicable law for persons 21 years of age or older:

a. manufacture, possession, or purchase of ¹**[marijuana] cannabis**¹ paraphernalia or the sale of ¹**[marijuana] cannabis**¹ paraphernalia to a person who is 21 years of age or older;

b. possessing, displaying, or transporting ¹**[marijuana] cannabis**¹ items; purchase of ¹**[marijuana] cannabis**¹ from a ¹**[marijuana] cannabis**¹ cultivation facility; purchase of ¹**[marijuana] cannabis**¹ items from a ¹**[marijuana] cannabis**¹ product manufacturing facility; or sale of ¹**[marijuana] cannabis**¹ items to consumers, if the person conducting the activities described in this subsection has obtained a current, valid license to operate as a ¹**[marijuana] cannabis**¹ retailer or is acting in his capacity as an owner, employee, or agent of a licensed ¹**[marijuana] cannabis**¹ retailer;

c. cultivating, harvesting, processing, packaging, transporting, displaying, or possessing ¹**[marijuana] cannabis**¹; delivery or transfer of ¹**[marijuana] cannabis**¹ to a ¹**[marijuana] cannabis**¹ testing facility; selling ¹**[marijuana] cannabis**¹ to a ¹**[marijuana] cannabis**¹ cultivation facility, a ¹**[marijuana] cannabis**¹ product manufacturing facility, or a ¹**[marijuana] cannabis**¹ retailer; or the purchase of ¹**[marijuana] cannabis**¹ from a ¹**[marijuana] cannabis**¹ cultivation facility, if the person conducting the activities described in this subsection has obtained a current, valid license to operate a ¹**[marijuana] cannabis**¹ cultivation facility or is acting in his capacity as an owner, employee, or agent of a licensed ¹**[marijuana] cannabis**¹ cultivation facility;

d. packaging, processing, transporting, manufacturing, displaying, or possessing ¹**[marijuana] cannabis**¹ items; delivery or transfer of ¹**[marijuana] cannabis**¹ items to a ¹**[marijuana] cannabis**¹ testing facility; selling ¹**[marijuana] cannabis**¹ items to a ¹**[marijuana] cannabis**¹ retailer or a ¹**[marijuana] cannabis**¹ product manufacturing facility; the purchase of ¹**[marijuana] cannabis**¹ from a ¹**[marijuana] cannabis**¹ cultivation facility; or the purchase of ¹**[marijuana] cannabis**¹ items from a ¹**[marijuana] cannabis**¹ product manufacturing facility, if the person conducting the activities described in this subsection has obtained a current, valid license to operate a ¹**[marijuana] cannabis**¹ product manufacturing facility or is acting in his capacity as an owner, employee, or agent of a licensed ¹**[marijuana] cannabis**¹ product manufacturing facility;

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e. possessing, cultivating, processing, repackaging, storing, transporting, displaying, transferring, or delivering **1**["marijuana] cannabis**1** items if the person has obtained a current, valid license to operate a **1**["marijuana] cannabis**1** testing facility or is acting in his capacity as an owner, employee, or agent of a licensed **1**["marijuana] cannabis**1** testing facility; and

f. leasing or otherwise allowing the use of property owned, occupied, or controlled by any person, corporation, or other entity for any of the activities conducted lawfully in accordance with subsections a. through e. of this section.

REPLACE SECTION 6 TO READ:

6. (New section) Prohibition of Persons Under the Legal Age Purchasing **1**["Marijuana] Cannabis**1**.

a. No licensee, either directly or indirectly by an agent or employee, shall sell, offer for sale, distribute for commercial purpose at no cost or minimal cost, give, or furnish, to a person under 21 years of age, any **1**["marijuana] cannabis**1** items.

b. Any licensee or employee or agent of a licensee who allows a person under the age of 21 to procure **1**["marijuana] cannabis**1** items **1**["is guilty of a disorderly persons offense and] which, pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill) are not unlawful for persons 21 years of age or older to procure for personal use,**1** shall be subject to a civil penalty of not less than \$250 for the first violation; \$500 for the second violation; and \$1,000 for the third and each subsequent violation; in addition, subject to a hearing, a licensee's license may be revoked. 1The penalties provided for in this subsection shall be recovered by a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).**1**

c. The establishment of all of the following facts by a licensee, employee, or agent, allowing any such person under the age of 21 to procure **1**["marijuana] cannabis**1** items shall constitute a defense to any **1**["prosecution pursuant to] violation of**1** the provisions of subsections a. and b. of this section:

(1) That the purchaser of the **1**["marijuana] cannabis**1** or **1**["marijuana] cannabis**1** product falsely represented, by producing either a United States passport; driver's license or non-driver identification card issued by the New Jersey Motor Vehicle Commission; a similar card issued pursuant to the laws of another state; 1or**1** United States military identification card **1**["; or a photographic identification card issued by a county clerk"]**1** , that **1**["he] the person**1** was of legal age to make the purchase; 1and**1**

(2) **1**["That the appearance of the purchaser was such that an ordinary prudent person would believe him to be 21 years of age or older, of legal age to make the purchase; and

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(3)]¹ That the sale or distribution was made in good faith, relying upon the production of the identification in paragraph (1) of this subsection ¹[, the minor's appearance,]¹ and in the reasonable belief that the purchaser or recipient was actually of legal age to make the purchase.

d. It shall be unlawful for a person under the age of 21 to attempt to purchase, or acquire a ¹[**marijuana**] cannabis¹ item, even if such ¹[**marijuana**] cannabis¹ items may be legally purchased by persons at or above the legal age for purchasing ¹[**marijuana**] cannabis¹ items.

For purposes of this subsection, purchasing a ¹[**marijuana**] cannabis¹ item includes accepting a ¹[**marijuana**] cannabis¹ item, and acquiring a ¹[**marijuana**] cannabis¹ item includes consuming a ¹[**marijuana**] cannabis¹ item.

e. It shall be unlawful for a person under the age of 21 to present or offer to a ¹[**marijuana**] cannabis¹ establishment or the ¹[**marijuana**] cannabis¹ establishment's agent or employee any written or oral evidence of age ¹or other personal identifying information¹ that is false, fraudulent, or not actually the person's own, ¹including the use of a driver's license or other government-issued form of identification in violation of section 1 of P.L.1983, c.565 (C.2C:21-2.1), N.J.S.2C:21-17, section 5 of P.L.2003, c.184 (C.2C:21-17.2), or section 6 of P.L.1968, c.313 (C.33:1-81.7),¹ for the purpose of:

(1) Purchasing, attempting to purchase, or otherwise procuring or attempting to procure ¹[**marijuana or marijuana products**] cannabis items¹; or

(2) Gaining access to a ¹[**marijuana**] cannabis¹ establishment.

f. Except as permitted by the ¹[**division**] commission¹ by rule or regulation, or as necessary on an emergency basis, a person under legal age for purchasing ¹[**marijuana**] cannabis¹ items may not enter or attempt to enter any portion of a licensed premises that is posted or otherwise identified as being prohibited to the use of persons under legal age for purchasing ¹[**marijuana**] cannabis¹ items, unless accompanied by and supervised by a parent or legal guardian.

g. Any person under the legal age to purchase ¹[**marijuana**] cannabis,¹ who knowingly possesses without legal authority ¹[,]¹ or who knowingly consumes any ¹[**marijuana**] cannabis item,¹ in any school, public conveyance, public place, place of public assembly, or motor vehicle, shall be ¹[**deemed and adjudged to be**] guilty of¹ a ¹[**disorderly person**, and upon conviction thereof, shall be punished by a fine of not less than \$500] violation as set forth in N.J.S.2C:33-15. Any person under the legal age to purchase cannabis, who knowingly possesses without legal authority or who knowingly consumes, any cannabis item on private property shall

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be guilty of a municipal violation as set forth in section 1 of P.L.2000, c.33 (C.40:48-1.2)¹.

h. The prohibitions of this section do not apply to a person under the legal age for purchasing ¹~~["marijuana"]~~ cannabis¹ items who is acting under the direction of the ¹~~["division"]~~ commission¹ or under the direction of State or local law enforcement agencies for the purpose of investigating possible violations of the laws prohibiting sale of ¹~~["marijuana"]~~ cannabis¹ items to persons who are under the legal age for purchasing ¹~~["marijuana"]~~ cannabis¹ items.

i. The prohibitions of this section do not apply to a person under the legal age for purchasing ¹~~["marijuana"]~~ cannabis¹ items who is acting under the direction of a licensee for the purpose of investigating possible violations by employees of the licensee of laws prohibiting sales of ¹~~["marijuana"]~~ cannabis¹ items to persons who are under the legal age for purchasing ¹~~["marijuana"]~~ cannabis¹ items.

¹~~["j. A person under the legal age for purchasing marijuana items is not in violation of this section, and is immune from prosecution under this section if:~~

(1) The person contacted emergency medical services or a law enforcement agency in order to obtain medical assistance for another person who was in need of medical assistance because that person consumed a marijuana item and the evidence of the violation of this section was obtained as a result of the person's having contacted emergency medical services or a law enforcement agency; or

(2) The person was in need of medical assistance because the person consumed a marijuana item and the evidence of the violation of this section was obtained as a result of the person's having sought or obtained the medical assistance.

(3) Paragraph (1) of this subsection does not exclude the use of evidence obtained as a result of a person's having sought medical assistance in proceedings for crimes or offenses other than a violation of this section.]¹

OMIT SECTION 7 IN ITS ENTIRETY

INSERT NEW SECTION 7 TO READ:

¹7. (New section) Creation, Powers, and Duties of the Cannabis Regulatory Commission.

The Cannabis Regulatory Commission is hereby created in, but not of, the Department of the Treasury, to oversee the development, regulation, and enforcement of activities associated with the personal use of cannabis pursuant to P.L. , c. (C.), and assume responsibility from the Department of Health for the further development and expansion, regulation, and enforcement of activities associated with the medical use of cannabis pursuant to the "New

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Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.).

a. (1) The commission shall consist of five members: one of whom shall be the chair, appointed by the Governor with the advice and consent of the Senate; two of whom shall be appointed by the Governor with the advice and consent of the Senate; one of whom shall be appointed by the Governor upon the recommendation of the Senate President; and one of whom shall be appointed by the Governor upon the recommendation of the Speaker of the General Assembly. All five members shall be residents of this State. At least one member shall be a State representative of a national organization or State branch of a national organization with a stated mission of studying, advocating, or adjudicating against minority historical oppression, past and present discrimination, unemployment, poverty and income inequality, and other forms of social injustice or inequality, and all five members shall possess education, training, or experience with legal, policy, or criminal justice issues, corporate or industry management, finance, securities, or production or distribution, medicine or pharmacology, or public health, mental health, or substance use disorders. Concerning the appointment of the initial chair and the other two initial members requiring the advice and consent of the Senate, the Senate shall exercise its authority within 30 days after the nomination for appointment of the initial chair or another initial member has been submitted to the Senate, and if no action has been taken within the 30-day period, the nomination shall be deemed confirmed. If the Governor does not make an initial appointment of a member recommended by the Senate President or Speaker of the General Assembly within 30 days of being presented with a recommendation, the person so recommended may file an order to show cause in Superior Court to obtain a writ of mandamus compelling the Governor to appoint the person.

(2) The chair and the other members shall serve for terms of five years; provided that for the two other members first appointed by the Governor with the advice and consent of the Senate, one shall be appointed for a term of four years, and one shall be appointed for a term of three years. The chair and the other members shall serve in their respective capacities throughout their entire term and until their successors shall have been duly appointed and qualified. Any vacancy in the commission occurring for any reason other than the expiration of a term shall be filled for the unexpired term only in the same manner as the original appointment.

(3) The chair and other members of the commission shall devote full time to their respective duties of office and shall not pursue or engage in any other business, occupation, or gainful employment. Each member shall receive an annual salary to be fixed and established by the Governor, which for the chair shall not exceed \$141,000, and for the other members shall not exceed \$125,000.

(4) The members of the commission, at the commission’s first meeting when called by the chair, shall elect, by a majority of the total

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authorized membership of the commission, one of the members, other than the chair, to serve as vice-chair for the ensuing year. A vice-chair shall thereafter be elected annually in the same manner. The vice-chair shall be empowered to carry out all of the responsibilities of the chair during the chair's absence, disqualification, or inability to serve.

(5) A majority of the total authorized membership of the commission shall be required to establish a quorum, and a majority of the total authorized membership of the commission shall be required to exercise its powers at any meeting thereof.

(6) The commission shall adopt annually a schedule of regular meetings, and special meetings may be held at the call of the chair.

(7) Any member of the commission may be removed from office by the Governor, for cause, upon notice and opportunity to be heard at a public hearing. Any member of the commission shall automatically forfeit the member's office upon conviction for any crime.

b. (1) The commission may establish, and from time to time alter, a plan of organization, and employ personnel as it deems necessary under the direct supervision of a full-time executive director for the commission. The plan of organization shall include the Office of Minority, Disabled Veterans, and Women Cannabis Business Development established by section 9 of P.L. , c. (C.) (pending before the Legislature as this bill).

(a) The executive director shall be appointed by the Governor with the advice and consent of the Senate. The executive director shall serve at the pleasure of the appointing Governor during the Governor's term of office and until a successor has been duly appointed and qualified. Any vacancy in the office occurring for any reason other than the expiration of a term shall be filled for the unexpired term only in the same manner as the original appointment. The executive director shall receive an annual salary to be fixed and established by the Governor, which shall be at an amount not to exceed the annual salary of a member of the commission not serving as chair, as set forth in paragraph (3) of subsection a. of this section.

(b) (i) All employees of the commission under the direct supervision of the executive director, except for secretarial and clerical personnel, shall be in the State's unclassified service. All employees shall be deemed confidential employees for the purposes of the "New Jersey Employer-Employee Relations Act," P.L.1941, c.100 (C.34:13A-1 et seq.).

(ii) If, as a result of the transfer of duties and responsibilities from the Department of Health to the commission in accordance with P.L. , c. (C.) (pending before the Legislature as this bill) and the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) on or after the effective date of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), the commission needs to employ an individual to fill a position, employees of the department who performed the duties of the position to be filled shall be given a one-time right of first refusal offer of employment with the commission,

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and such employees may be removed by the commission for cause or if deemed unqualified to hold the position, notwithstanding any other provision of law to the contrary. A department employee who becomes employed by the commission shall retain as an employee of the commission the seniority, and all rights related to seniority, that the employee had with the department as of the last day of employment with the department; provided, however, that such seniority and seniority rights shall be retained only by an employee who was transferred from employment with the department to employment with the commission, and shall not be retained by an employee who was removed from employment with the department due to layoff procedures or who resigned from a position with the department prior to being hired by the commission.

(2) The commission may sue and be sued in any court, employ legal counsel to represent the commission in any proceeding to which it is a party and render legal advice to the commission upon its request, as well as contract for the services of other professional, technical, and operational personnel and consultants as may be necessary to the performance of its responsibilities.

(3) The commission may incur additional expenses within the limits of fund available to it in order to carry out its duties, functions, and powers under P.L. , c. (C.) (pending before the Legislature as this bill), the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), and P.L.2015, c.158 (C.18A:40-12.22 et al.).

c. With respect to the activities of the commission, neither the President of the Senate or Speaker of the General Assembly, nor any firm with which the President of the Senate or Speaker of the General Assembly is associated, shall be permitted to appear or practice or act in any capacity whatsoever before the commission regarding any matter whatsoever, nor shall any member of the immediate family of the Governor, President of the Senate, or Speaker of the General Assembly be permitted to so practice or appear in any capacity whatsoever before the commission regarding any matter whatsoever. As used in this subsection, “immediate family” means the spouse, domestic partner, or partner in a civil union couple, and any dependent child or stepchild, recognized by blood or by law, of the Governor, President of the Senate, or Speaker of the General Assembly, or of the spouse, domestic partner, or partner in a civil union couple residing in the same household as the Governor, President of the Senate, or Speaker of the General Assembly.¹

REPLACE SECTION 8 TO READ:

8. (New section) Powers and Duties of the ¹【Division】 Cannabis Regulatory Commission Concerning Personal Use of Cannabis; Reporting on Commission’s Activities¹.

a. The ¹【Division of Marijuana Enforcement】 Cannabis Regulatory Commission¹ shall have all powers necessary or proper to enable it to carry out the ¹【division’s】 commission’s¹ duties,

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functions, and powers under P.L. , c. (C.) (pending before the Legislature as this bill). The jurisdiction, supervision, duties, functions, and powers of the **1[division] commission¹** extend to any person who buys, sells, produces, processes, transports, or delivers any **1[marijuana] cannabis¹** items within this State. **1[The division may sue and be sued.]¹**

b. The duties, functions and powers of the **1[division] commission¹** shall include the following:

(1) To regulate the purchase, sale, production, processing, transportation, and delivery of **1[marijuana] cannabis¹** items in accordance with the provisions of P.L. , c. (C.) (pending before the Legislature as this bill);

(2) To grant, refuse, suspend or cancel licenses **1or conditional licenses¹** for the sale, processing, or production of **1[marijuana] cannabis¹** items, or other licenses in regard to **1[marijuana] cannabis¹** items, and to permit, in the **1[division's] commission's¹** discretion, the transfer of a license between persons;

(3) To investigate and aid in the prosecution of every violation of the statutory laws of this State relating to **1[marijuana] cannabis¹** items and to cooperate in the prosecution of offenders before any State court of competent jurisdiction;

(4) To adopt, amend, or repeal regulations as necessary to carry out the intent and provisions of P.L. , c. (C.) (pending before the Legislature as this bill);

(5) To exercise all powers incidental, convenient, or necessary to enable the **1[division] commission¹** to administer or carry out the provisions of P.L. , c. (C.) (pending before the Legislature as this bill), or any other law of this State that charges the **1[division] commission¹** with a duty, function, or power related to **1[marijuana] cannabis¹**. Powers described in this paragraph include, but are not limited to:

- (a) Issuing subpoenas;
- (b) Compelling attendance of witnesses;
- (c) Administering oaths;
- (d) Certifying official acts;
- (e) Taking depositions as provided by law;
- (f) Compelling the production of books, payrolls, accounts, papers, records, documents, and testimony; and
- (g) Establishing fees in addition to the application, licensing, and renewal fees, provided that any fee established by the **1[division] commission¹** is reasonably calculated not to exceed the cost of the activity for which the fee is charged;

(6) To adopt rules regulating and prohibiting **1[marijuana] cannabis¹** growers, **1[marijuana] cannabis¹** processors, **1[marijuana] cannabis¹** wholesalers, and **1[marijuana] cannabis¹** retailers from advertising **1[marijuana] cannabis¹** items in a manner that is appealing to minors; that promotes excessive use; that promotes

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illegal activity; or that otherwise presents a significant risk to public health and safety; and

(7) To regulate the use of ¹**['marijuana] cannabis¹** items for scientific, pharmaceutical, manufacturing, mechanical, industrial, and other purposes.

c. The powers of the ¹**['division] commission¹** further include the power to purchase, seize, possess, and dispose of ¹**['marijuana] cannabis¹** items. The ¹**['division] commission¹** may purchase, possess, seize, or dispose of ¹**['marijuana] cannabis¹** items as is necessary to ensure compliance with and enforcement of the provisions of P.L. , c. (C.) (pending before the Legislature as this bill), and any rule adopted pursuant thereto. Any State officer, board, commission, corporation, institution, department, or other State body, and any local officer, board, commission, institution, department, or other local government body, that is permitted by the statutory laws of this State to perform a duty, function, or power with respect to a ¹**['marijuana] cannabis¹** item, may purchase, possess, seize, or dispose of the ¹**['marijuana] cannabis¹** item as the State officer, board, commission, corporation, institution, department or other State body, or the local officer, board, commission, institution, department, or other local government body, considers necessary to ensure compliance with and enforce the applicable statutory law or any rule adopted under the applicable statutory law.

d. ¹**['The division shall be under the immediate supervision of a director. The director of the division shall be appointed by the Governor, with the advice and consent of the Senate, and shall serve during the term of office of the Governor appointing him and until the director's successor is appointed and has qualified] (1) (a) Within 180 days after the effective date of this section, which takes effect immediately upon enactment of P.L. , c. (C.) (pending before the Legislature as this bill), and notwithstanding the provisions of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to the contrary, the commission, after consultation with the Attorney General, State Treasurer, Commissioner of Health, and Commissioner of Banking and Insurance, shall, immediately upon filing proper notice with the Office of Administrative Law, adopt rules and regulations prepared by the commission necessary or proper to enable it to carry out the commission's duties, functions, and powers with respect to overseeing the development, regulation, and enforcement of activities associated with the personal use of cannabis pursuant to P.L. , c. (C.), and assume responsibility from the Department of Health for the further development and expansion, regulation, and enforcement of activities associated with the medical use of cannabis pursuant to the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.).**

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(b) The initial rules and regulations adopted pursuant to subparagraph (a) of this paragraph shall be in effect for a period not to exceed one year after the date of filing with the Office of Administrative Law. These rules and regulations shall thereafter be adopted, amended, or readopted, and any subsequent rules and regulations adopted, amended, or readopted, by the commission in accordance with the requirements of the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-1 et seq.), after consultation with other department heads, as the commission deems appropriate.

(2) On the date of adoption of the initial rules and regulations pursuant to subparagraph (a) of paragraph (1) of this subsection, the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) shall become operative, other than those provisions which were operative immediately upon enactment, and subsequent to the date of adoption the commission shall determine the first date thereafter on which retail sales of personal use cannabis items may occur, which latter date shall not be more than 180 days after the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) became operative based upon the commission’s adoption of its initial rules and regulations. The commission shall provide every alternative treatment center deemed to be licensed for personal use cannabis activities pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), and every person or entity issued licenses or conditional licenses by the commission with at least 30 days’ notice of the date determined to be the first date on which retail sales of personal use cannabis items may occur.

e. (1) The commission shall biannually report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to the Legislature, regarding the commission’s regulation and enforcement activities associated with the personal use of cannabis pursuant to P.L. , c. (C.), and the medical use of cannabis pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), and P.L.2015, c.158 (C.18A:40-12.22 et al.). The biannual report shall include, but is not limited to, information on:

(a) the number of criminal arrests or charges for obtaining or possessing marijuana or hashish in violation of paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, or for manufacturing, distributing, or possessing or having under control with the intent to distribute marijuana or hashish in violation of paragraph (11) or (12) of subsection b. of N.J.S.2C:35-5, cataloged by race, ethnicity, gender, and age;

(b) the number of motor vehicle stops by law enforcement involving violations of R.S.39:4-50, or section 5 of P.L.1990, c.103 (C.39:3-10.13) concerning operators of commercial motor vehicles, for driving under the influence of cannabis or marijuana, or suspicion thereof, cataloged by race, ethnicity, gender, and age;

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(c) the total number of personal use cannabis licenses and medical use cannabis permits issued since the distribution of the previous report to the Governor and Legislature, as well as the number for each class of license and permit issued, and the total number and type of applicants that submitted applications for licenses and permits and whether they were approved, reapproved, or denied;

(d) the data compiled by the Office of Minority, Disabled Veterans, and Women Cannabis Business Development pursuant to subsection f. of section 9 of P.L. , c. (C.) (pending before the Legislature as this bill) about participation in the lawful operation of cannabis establishments by persons from socially and economically disadvantaged communities, including minority owned, disabled veterans' owned, and women's owned licensing and business development in the personal use cannabis and medical use cannabis marketplaces, and the data shall include the office's analysis of the total number of licenses and permits applied for and issued since the distribution of the previous report to the Governor and Legislature compared with the total number of minority owned, disabled veterans' owned, and women's owned businesses that submitted applications for licenses and permits and whether they were approved, reapproved, or denied; and

(e) the total amount of tax revenue generated by the excise and sales tax on personal use cannabis collected by the State, and any optional excise tax thereon collected by a local governmental entity pursuant to subsection a. of section 18 of P.L. , c. (C.) (pending before the Legislature as this bill).

(2) Beginning on the third anniversary of the commission's first organizational meeting called by the commission chair pursuant to paragraph (4) of subsection a. of section 7 of P.L. , c. (C.) (pending before the Legislature as this bill), a public research university, as defined in section 3 of P.L.1994, c.48 (C.18A:3B-3), designated by the Governor shall engage in a study, reviewing the commission's organization, and regulation and enforcement activities, with a focus on the commission's effectiveness as established and operating as a full time commission pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) and whether a better execution of the laws concerning the personal use of cannabis and medical use of cannabis could be more effectively managed, and more efficiently promoted through a reorganization of the commission, consolidation of the commission within the Department of the Treasury or another Executive Branch department, change to a part-time commission, or the transfer of some or all of the commission's operations elsewhere within the Executive Branch, to begin on the fifth anniversary of the commission's first organizational meeting. The findings of the university's study shall be issued in a report, presented to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, after which the Governor and Legislature shall take any administrative and legislative action, respectively,

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concerning the continuation, modification, or abolition of the commission or its operations as recommended in the findings of the study.¹

INSERT NEW SECTIONS 9 THROUGH 15 TO READ:

¹9. (New section) Office of Minority, Disabled Veterans, and Women Cannabis Business Development; Establishment; Powers and Duties.

a. There is hereby established in the commission an Office of Minority, Disabled Veterans, and Women Cannabis Business Development. The office shall be under the immediate supervision of a director. The director of the office shall be appointed by the Governor, and shall serve at the pleasure of the appointing Governor during the Governor's term of office and until a successor has been duly appointed and qualified. Any vacancy in the office occurring for any reason other than the expiration of a term shall be filled for the unexpired term only in the same manner as the original appointment. The director shall receive an annual salary as provided by law which shall be at an amount not to exceed the annual salary of the executive director of the commission.

b. (1) The office shall establish and administer, under the direction of the commission, unified practices and procedures for promoting participation in the lawful operation of cannabis establishments and medical cannabis alternative treatment centers by persons from socially and economically disadvantaged communities, including by prospective and existing ownership of minority owned and women's owned businesses, as these terms are defined in section 3 of P.L.1986, c.195 (C.52:27H-21.18), and disabled veterans' businesses as defined in section 2 of P.L.2015, c.116 (C.52:32-31.2), to be licensed as personal use cannabis establishments under P.L. , c. (C.) (pending before the Legislature as this bill) or issued permits for activities concerning the medical use of cannabis under the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.). These unified practices and procedures shall include the certification and subsequent recertification at regular intervals of a business as a minority owned or women's owned business, or a disabled veterans' business, in accordance with eligibility criteria and a certification application process established by the commission through regulation in consultation with the office.

(2) The office shall conduct advertising, promotional campaigns, and disseminate information to the public to increase awareness for participation in the lawful operation of cannabis establishments and medical cannabis alternative treatment centers by persons from socially and economically disadvantaged communities, including by prospective and existing ownership of certified minority owned and women's owned businesses, and disabled veterans' businesses, concerning the qualifications and application processes for licenses and permits pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) or the "New Jersey Compassionate Use

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Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.). The office shall sponsor seminars and informational programs, as well as provide information on its Internet website, directed toward those persons and prospective and existing certified businesses which are useful to persons seeking practical information on personal use cannabis or medical cannabis business management, marketing, and other matters.

c. (1) The office shall develop, recommend, and implement policies, practices, protocols, standards, and criteria designed to promote the formulation and participation in the lawful operation of cannabis establishments by persons from socially and economically disadvantaged communities, including by prospective or existing ownership of certified minority owned and women’s owned businesses, and disabled veterans’ businesses, the effectiveness of which measures shall be assessed by considering whether those measures have resulted in not less than 30 percent of the total number of licenses issued by the commission for personal use cannabis establishments under P.L. , c. (C.) (pending before the Legislature as this bill), and not less than 30 percent of the new permits issued for activities concerning the medical use of cannabis under the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) on or after the effective date of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426) being issued to businesses certified in accordance with the certification process established by the office pursuant to paragraph (1) of subsection b. of this section. Of the resulting total number of licenses issued for personal use cannabis establishments and new permits issued for activities concerning the medical use of cannabis, the effectiveness of the office’s policies, practices, protocols, standards, and criteria shall be further assessed by considering whether those measures have resulted in not less than 15 percent of the licenses and permits being issued to certified minority owned businesses, and not less than 15 percent of the licenses and permits being issued to certified women’s owned and disabled veterans’ businesses.

(2) The office shall periodically analyze the number of licenses and permits issued by the commission and compare that analysis to the number of minority owned and women’s owned businesses, and disabled veterans’ businesses, that submitted applications for licenses and permits. The office shall make good faith efforts to establish, maintain, and enhance the measures designed to promote the formulation and participation in the lawful operation of cannabis establishments by persons from socially and economically disadvantaged communities consistent with the standards set forth in paragraph (1) of this subsection, and to coordinate and assist the commission with respect to its incorporation of these licensing measures into the application and review process for issuing licenses for personal use cannabis establishments under P.L. , c. (C.) (pending before the Legislature as this bill), and for issuing permits for activities concerning the medical use of cannabis under the “New

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Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) on or after the effective date of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), as set forth in paragraph (4) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill).

d. The office may review the commission’s measures regarding participation in the lawful operation of cannabis establishments by persons from socially and economically disadvantaged communities, minority owned and minority owned and women’s owned businesses, and disabled-veteran’s businesses, and make recommendations for the improvement thereof. The office may consult with experts or other knowledgeable individuals in the public or private sector on any aspect of its mission.

e. The office shall make recommendations to the commission on relevant policy and implementation matters concerning participation in the lawful operation of cannabis establishments by persons from socially and economically disadvantaged communities, including by prospective or existing ownership of minority owned and women’s owned businesses, and disabled veterans’ businesses, as the office deems appropriate.

f. The office shall prepare information regarding its activities pursuant to this section addressing participation in the lawful operation of cannabis establishments by persons from socially and economically disadvantaged communities, including by minority owned and women’s owned business development, and disabled veterans’ business development, in the retail cannabis and medical cannabis marketplaces to be incorporated by the commission in its biannual report to the Governor and the Legislature pursuant to subsection e. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill).¹

¹10. (New section) Pre-Interest or Pre-Employment Restrictions on Cannabis Regulatory Commission Members and Employees

a. No person shall be appointed to or employed by the commission if, during the period commencing three years prior to appointment or employment, the person held any direct or indirect interest in, or any employment by, any holder of, or applicant for, a cannabis license or permit pursuant to P.L. , c. (C.) (pending before the Legislature as this bill), or the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or which is an entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment; provided, however, that notwithstanding any other provision of P.L. , c. (C.) (pending before the Legislature as this bill) to the contrary, any such person may be appointed to or employed by the commission if the person’s prior interest in any such license or permit holder, applicant, or entity involving a certified cannabis handler would not, in the opinion of the commission, interfere with the

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objective discharge of the person's obligations of appointment or employment, but in no instance shall any person be appointed to or employed by the commission if the person's prior interest in such license or permit holder, applicant, or entity involving a certified cannabis handler constituted a controlling interest in that license or permit holder, or entity; and provided further, however, that notwithstanding any other provision of P.L. , c. (C.) (pending before the Legislature as this bill) to the contrary, any such person may be employed by the commission in a secretarial or clerical position if, in the opinion of the commission, the person's previous employment by, or interest in, any license or permit holder, or entity involving a certified cannabis handler, would not interfere with the objective discharge of the person's employment obligations.

b. Prior to appointment or employment, each member of the commission and each employee of the commission shall swear or affirm that he possesses no interest in any business or organization issued a license or permit by the commission, or interest in any business or organization that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment.

c. (1) Each member of the commission shall file with the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the member and the member's spouse, domestic partner, or partner in a civil union couple, as the case may be, and shall also provide to the State Ethics Commission in the same financial disclosure statement a listing all assets and liabilities, property and business interests, and sources of income of each dependent child or stepchild, recognized by blood or by law, of the member, or of the spouse, domestic partner, or partner in a civil union couple residing in the same household as the member. Each statement shall be under oath and shall be filed at the time of appointment and annually thereafter.

(2) Each employee of the commission, except for secretarial and clerical personnel, shall file with the State Ethics Commission a financial disclosure statement listing all assets and liabilities, property and business interests, and sources of income of the employee and the employee's spouse, domestic partner, or partner in a civil union couple, as the case may be. Such statement shall be under oath and shall be filed at the time of employment and annually thereafter. Notwithstanding the provisions of subsection (n) of section 10 of P.L.1971, c.182 (C.52:13D-21), only financial disclosure statements filed by a commission employee who is in a policy-making management position shall be posted on the Internet site of the State Ethics Commission.¹

¹11. (New section) Restrictions on Cannabis Regulatory Commission Members and Employees

a. The "New Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et seq.) shall apply to members of the commission and

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to all employees of the commission, except as herein specifically provided.

b. (1) The commission shall promulgate and maintain a Code of Ethics that is modeled upon the Code of Judicial Conduct of the American Bar Association, as amended and adopted by the Supreme Court of New Jersey.

(2) The Codes of Ethics promulgated and maintained by the commission shall not be in conflict with the laws of this State, except, however, that the Code of Ethics may be more restrictive than any law of this State.

c. The Codes of Ethics promulgated and maintained by the commission, and any amendments or restatements thereof, shall be submitted to the State Ethics Commission for approval. The Codes of Ethics shall include, but not be limited to, provisions that:

(1) No commission member or employee shall be permitted to enter and engage in any activities, nor have any interest, directly or indirectly, in any cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer issued its license by the commission in accordance with P.L. , c. (C.) (pending before the Legislature as this bill), or any alternative treatment center issued its permit by the commission in accordance with the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), except in the course of the member’s or employee’s duties.

(2) No commission member or employee shall solicit or accept employment from any personal use cannabis license holder or medical cannabis permit holder, or from any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, for a period of two years after termination of service with the commission, except as otherwise provided in section 12 of P.L. , c. (C.) (pending before the Legislature as this bill).

(3) No commission member or employee shall act in the member’s or employee’s official capacity in any matter wherein the member, employee, or the member’s or employee’s spouse, domestic partner, or partner in a civil union couple, or child, parent, or sibling has a direct or indirect personal financial interest that might reasonably be expected to impair the member’s or employee’s objectivity or independence of judgment.

(4) No commission member or employee shall act in the member’s or employee’s official capacity in a matter concerning any personal use cannabis license holder or medical cannabis permit holder, or any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, and who is the employer of a spouse, domestic partner, or partner in a civil union couple, or child, parent, or sibling of the commission member or employee when the fact of the employment of the spouse, domestic partner, or partner in a civil union couple, or child, parent, or sibling might reasonably be expected to

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impair the objectivity and independence of judgment of the commission member or employee.

(5) No spouse, domestic partner, or partner in a civil union couple, or child, parent, or sibling of a commission member shall be employed in any capacity by any personal use cannabis license holder or medical cannabis permit holder, or any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, nor by any holding, intermediary, or subsidiary company thereof.

(6) No commission member shall meet with any person, except for any other member of the commission or employee of the commission, or discuss any issues involving any pending or proposed application or any matter whatsoever which may reasonably be expected to come before the commission, or any member thereof, for determination unless the meeting or discussion takes place on the business premises of the commission, provided, however, that commission members may meet to consider matters requiring the physical inspection of equipment or premises at the location of the equipment or premises. All meetings or discussions subject to this paragraph shall be noted in a log maintained for this purpose and available for inspection pursuant to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.).

d. No commission member or employee shall have any interest, direct or indirect, in any personal use cannabis license holder or medical cannabis permit holder, or any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, during the member's term of office or employee's term of employment.

e. Each commission member and employee shall devote his entire time and attention to his duties and shall not pursue any other business or occupation or other gainful employment; provided, however, that secretarial and clerical personnel may engage in such other gainful employment as shall not interfere with their duties to the commission, unless otherwise directed; and provided further, however, that other employees of the commission may engage in such other gainful employment as shall not interfere or be in conflict with their duties to the commission or division, upon approval by the commission, as the case may be.

f. (1) A member of the commission and the executive director or any other employee of the commission holding a supervisory or policy-making management position shall not make any contribution as that term is defined in "The New Jersey Campaign Contributions and Expenditures Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.).

(2) A member or employee of the commission shall not:

(a) Use the member's or employee's official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office;

(b) Directly or indirectly coerce, attempt to coerce, command or advise any person to pay, lend, or contribute anything of value to a

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party, committee, organization, agency or person for political purposes; or

(c) Take any active part in political campaigns or the management thereof; provided, however, that nothing herein shall prohibit a member or employee from voting as the member or employee chooses or from expressing personal opinions on political subjects and candidates.

g. For the purpose of applying the provisions of the “New Jersey Conflicts of Interest Law,” any consultant or other person under contract for services to the commission shall be deemed to be a special State employee, except that the restrictions of section 4 of P.L.1981, c.142 (C.52:13D-17.2) shall not apply to such person. Such person and any corporation, firm, or partnership in which the person has an interest or by which the person is employed shall not represent any person or party other than the commission.¹

¹12. (New section) Post-Service Restrictions on Cannabis Regulatory Commission Members and Employees

a. No member of the commission shall hold any direct or indirect interest in, or be employed by, any holder of, or applicant for, a personal use cannabis license or medical cannabis permit pursuant to P.L. , c. (C.) (pending before the Legislature as this bill), or the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or which is an entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, for a period of two years commencing on the date that membership on the commission terminates.

b. (1) No employee of the commission may acquire any direct or indirect interest in, or accept employment with, any personal use cannabis license holder or medical cannabis permit holder, or any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, for a period of two years commencing at the termination of employment with the commission, except that a secretarial or clerical employee of the commission may accept such employment at any time after the termination of employment with the commission. At the end of two years and for a period of two years thereafter, a former employee who held a policy-making management position at any time during the five years prior to termination of employment may acquire an interest in, or accept employment with, any personal use cannabis license holder or medical cannabis permit holder, or any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, upon application to, and the approval of, the commission, upon a finding that the interest to be acquired or the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact.

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(2) Notwithstanding the provisions of this subsection, if the employment of a commission employee, other than an employee who held a policy-making management position at any time during the five years prior to termination of employment, is terminated as a result of a reduction in the workforce at the commission, the employee may, at any time prior to the end of the two-year period, accept employment with any personal use cannabis license holder or medical cannabis permit holder, or any applicant for a license or permit, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, upon application to, and the approval of, the commission, upon a finding that the employment will not create the appearance of a conflict of interest and does not evidence a conflict of interest in fact. The commission shall take action on an application within 30 days of receipt and an application may be submitted to the commission prior to or after the commencement of the employment.

c. No commission member or employee shall represent any person or party other than the State before or against the commission for a period of two years from the termination of office or employment with the commission.

d. No partnership, firm, or corporation in which a former commission member or employee has an interest, nor any partner, officer, or employee of any such partnership, firm, or corporation shall make any appearance or representation which is prohibited to the former member or employee.¹

¹13. (New section) Liability For Interest, Employment, and Ethics Violations By Applicant for Cannabis License or Permit, License or Permit Holder, and Cannabis Regulatory Commission Members and Employees; Enforcement by State Ethics Commission

a. (1) No holder of, or applicant for, a personal use cannabis license or medical cannabis permit pursuant to P.L. _____, c. (C. _____) (pending before the Legislature as this bill), or the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment shall employ or offer to employ, or provide, transfer, or sell, or offer to provide, transfer, or sell any interest, direct or indirect, in any personal use cannabis license holder or medical cannabis permit holder to any person restricted from such transactions by the provisions of sections 10 through 12 of P.L. _____, c. (C. _____) (pending before the Legislature as this bill).

(2) The commission may deny an application, or revoke or suspend a license or permit holder’s license or permit, for committing a violation of this subsection, as well as impose a civil penalty of not less than \$500 nor more than \$10,000, which penalty may be collected in a summary proceeding pursuant to the “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10).

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b. (1) A member or employee of the commission who makes or causes to be made a political contribution prohibited under subsection f. of section 11 of P.L. , c. (C.) (pending before the Legislature as this bill) is guilty of a crime of the fourth degree, but notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine not to exceed \$200,000 may be imposed.

(2) A member or employee of the commission who willfully violates any other provisions in sections 10 through 12 of P.L. , c. (C.) (pending before the Legislature as this bill) is guilty of a disorderly persons offense.

c. The State Ethics Commission, established pursuant to the "New Jersey Conflicts of Interest Law," P.L.1971, c.182 (C.52:13D-12 et seq.), shall enforce the provisions of sections 10 through 13 of P.L. , c. (C.) (pending before the Legislature as this bill), and upon a finding of a violation, impose a civil penalty of not less than \$500 nor more than \$10,000, which penalty may be collected in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). If a violation also represents a crime or disorderly persons offense as set forth in subsection b. of this section, the State Ethics Commission shall also refer the matter to the Attorney General or appropriate county prosecutor for further investigation and prosecution.¹

¹14. Section 2 of P.L.1971, c.182 (C.52:13D-13) is amended to read as follows:

2. As used in this act, and unless a different meaning clearly appears from the context, the following terms shall have the following meanings:

a. "State agency" means any of the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, the Legislature of the State and any office, board, bureau or commission within or created by the Legislative Branch, and, to the extent consistent with law, any interstate agency to which New Jersey is a party and any independent State authority, commission, instrumentality or agency. A county or municipality shall not be deemed an agency or instrumentality of the State.

b. "State officer or employee" means any person, other than a special State officer or employee (1) holding an office or employment in a State agency, excluding an interstate agency, other than a member of the Legislature or (2) appointed as a New Jersey member to an interstate agency.

c. "Member of the Legislature" means any person elected to serve in the General Assembly or the Senate.

d. "Head of a State agency" means (1) in the case of the Executive Branch of government, except with respect to interstate agencies, the department head or, if the agency is not assigned to a department, the Governor, and (2) in the case of the Legislative Branch, the chief presiding officer of each House of the Legislature.

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e. "Special State officer or employee" means (1) any person holding an office or employment in a State agency, excluding an interstate agency, for which office or employment no compensation is authorized or provided by law, or no compensation other than a sum in reimbursement of expenses, whether payable per diem or per annum, is authorized or provided by law; (2) any person, not a member of the Legislature, holding a part-time elective or appointive office or employment in a State agency, excluding an interstate agency, or (3) any person appointed as a New Jersey member to an interstate agency the duties of which membership are not full-time.

f. "Person" means any natural person, association or corporation.

g. "Interest" means (1) the ownership or control of more than **[10%]** 10 percent of the profits or assets of a firm, association, or partnership, or more than **[10%]** 10 percent of the stock in a corporation for profit other than a professional service corporation organized under the "Professional Service Corporation Act," P.L. 1969, c. 232 (C. 14A:17-1 et seq.); or (2) the ownership or control of more than **[1%]** one percent of the profits of a firm, association, or partnership, or more than **[1%]** one percent of the stock in any corporation, (a) which is the holder of, or an applicant for, a casino license or in any holding or intermediary company with respect thereto, as defined by the "Casino Control Act," P.L. 1977, c. 110 (C. 5:12-1 et seq.), or (b) which is the holder of, or an applicant for, a license concerning the personal use of cannabis or a permit concerning the medical use of cannabis, issued pursuant to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill), or the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), or any holding or intermediary company with respect thereto, or (c) which is an entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, or any holding or intermediary company with respect to that entity. The provisions of this act governing the conduct of individuals are applicable to shareholders, associates or professional employees of a professional service corporation regardless of the extent or amount of their shareholder interest in such a corporation.

h. "Cause, proceeding, application or other matter" means a specific cause, proceeding or matter and does not mean or include determinations of general applicability or the preparation or review of legislation which is no longer pending before the Legislature or the Governor.

i. "Member of the immediate family" of any person means the person's spouse, domestic partner, partner in a civil union couple, child, parent or sibling residing in the same household.¹

(cf: P.L.1987, c.432, s.2)

¹15. Section 4 of P.L.1981, c.142 (C.52:13D-17.2) is amended to read as follows:

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4. a. As used in this section "person" means:

(1) any State officer or employee subject to financial disclosure by law or executive order and any other State officer or employee with responsibility for matters affecting casino activity, or personal use cannabis or medical cannabis activity subject to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill) or the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.); any special State officer or employee with responsibility for matters affecting casino activity, or personal use cannabis or medical cannabis activity subject to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill) or the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.); the Governor; **any member of the Legislature or** the President of the Senate; the Speaker of the General Assembly; any full-time member of the Judiciary; any full-time professional employee of the Office of the Governor, or the Legislature; members of the Casino Reinvestment Development Authority; members of the Cannabis Regulatory Commission; the head of a principal department; the assistant or deputy heads of a principal department, including all assistant and deputy commissioners; the head of any division of a principal department; or

(2) (a) any member of the governing body, or the municipal judge or the municipal attorney of a municipality wherein a casino is located; any member of or attorney for the planning board or zoning board of adjustment of a municipality wherein a casino is located, or any professional planner, or consultant regularly employed or retained by such planning board or zoning board of adjustment;

(b) any member of the governing body, or the municipal judge or the municipal attorney of a municipality wherein a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer, issued its license in accordance with the "New Jersey Cannabis Regulatory Act," P.L. , c. (C.) (pending before the Legislature as this bill), is located, or wherein an alternative treatment center, issued its permit in accordance with the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), or deemed to be licensed for personal use cannabis activities pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), or otherwise issued a license therefor by the commission in accordance with the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," is located.

b. (1) No State officer or employee, nor any person, nor any member of the immediate family of any State officer or employee, or person, nor any partnership, firm or corporation with which any such State officer or employee or person is associated or in which he has an interest, nor any partner, officer, director or employee while he is associated with such partnership, firm, or corporation, shall hold,

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directly or indirectly, an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a casino license, or any holding or intermediary company with respect thereto, in connection with any cause, application, or matter, except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that **[(1)]** (a) a State officer or employee other than a State officer or employee included in the definition of person, and **[(2)]** (b) a member of the immediate family of a State officer or employee, or of a person, may hold employment with the holder of, or applicant for, a casino license if, in the judgment of the State Ethics Commission, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the State officer or employee, or person, and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the State officer or employee, or person. No special State officer or employee without responsibility for matters affecting casino activity, excluding those serving in the Departments of Education, Health **[and Senior Services]**, and Human Services and the Commission on Higher Education, shall hold, directly or indirectly, an interest in, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a casino license, or any holding or intermediary company with respect thereto, in connection with any cause, application, or matter. However, a special State officer or employee without responsibility for matters affecting casino activity may hold employment directly with any holder of or applicant for a casino license or any holding or intermediary company thereof and if so employed may hold, directly or indirectly, an interest in, or represent, appear for, or negotiate on behalf of, **[his]** that employer, except as otherwise prohibited by law.

(2) No State officer or employee, nor any person, nor any member of the immediate family of any State officer or employee, or person, nor any partnership, firm or corporation with which any such State officer or employee or person is associated or in which he has an interest, nor any partner, officer, director or employee while he is associated with such partnership, firm, or corporation, shall hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, or derive any remuneration, payment, benefit or any other thing of value for any services, including but not limited to consulting or similar services, from any holder of, or applicant for, a license, permit, or other approval to conduct Internet gaming, or any holding or intermediary company with respect thereto, or any Internet gaming affiliate of any holder of, or applicant for, a casino license, or any holding or intermediary company with respect thereto, or any business, association, enterprise or other entity that is organized, in whole or in part, for the purpose of promoting, advocating for, or advancing the interests of the Internet gaming industry generally or any Internet gaming-related business or businesses in connection with any cause,

application, or matter, except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that **[(1)]** (a) a State officer or employee other than a State officer or employee included in the definition of person, and **[(2)]** (b) a member of the immediate family of a State officer or employee, or of a person, may hold employment with the holder of, or applicant for, a license, permit, or other approval to conduct Internet gaming, or any holding or intermediary company with respect thereto, or any Internet gaming affiliate of any holder of, or applicant for, a casino license, or any holding or intermediary company with respect thereto if, in the judgment of the State Ethics Commission, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the State officer or employee, or person, and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the State officer or employee, or person.

(3) No State officer or employee, nor any person, nor any member of the immediate family of any State officer or employee, or person, nor any partnership, firm or corporation with which any such State officer or employee or person is associated or in which he has an interest, nor any partner, officer, director or employee while he is associated with such partnership, firm, or corporation, shall hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a license concerning the personal use of cannabis or a permit concerning the medical use of cannabis, issued pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), or the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or any holding or intermediary company with respect thereto, or which is an entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, in connection with any cause, application, or matter, except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that (a) a State officer or employee other than a State officer or employee included in the definition of person, and (b) a member of the immediate family of a State officer or employee, or of a person, may hold employment with the holder of, or applicant for, a personal use cannabis license or medical cannabis permit, or an entity that employs or uses a certified cannabis handler if, in the judgment of the State Ethics Commission, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the State officer or employee, or person, and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the State officer or employee, or person. No special State officer or employee without responsibility for matters affecting personal use cannabis or medical cannabis activity, excluding those

servicing in the Departments of Education, Health, and Human Services and the Commission on Higher Education, shall hold, directly or indirectly, an interest in, or represent, appear for, or negotiate on behalf of, any holder of, or applicant for, a personal use cannabis license or medical cannabis permit, or any holding or intermediary company with respect thereto, or an entity that employs or uses a certified cannabis handler in connection with any cause, application, or matter. However, a special State officer or employee without responsibility for matters affecting personal use cannabis or medical cannabis activity may hold employment directly with any holder of or applicant for a personal use cannabis license or medical cannabis permit, or any holding or intermediary company thereof, or an entity that employs or uses a certified cannabis handler, and if so employed may hold, directly or indirectly, an interest in, or represent, appear for, or negotiate on behalf of, that employer, except as otherwise prohibited by law.

c. No person or any member of his immediate family, nor any partnership, firm or corporation with which such person is associated or in which he has an interest, nor any partner, officer, director or employee while he is associated with such partnership, firm or corporation, shall, within two years next subsequent to the termination of the office or employment of such person, hold, directly or indirectly, an interest in, or hold employment with, or represent, appear for or negotiate on behalf of, any holder of, or applicant for, a casino license, or any holder of, or applicant for, a license concerning the personal use of cannabis or a permit concerning the medical use of cannabis, issued pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), or the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or any holding or intermediary company with respect thereto, or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, in connection with any cause, application or matter, or any holding or intermediary company with respect to such holder of, or applicant for, a casino license, personal use cannabis license, or medical cannabis permit, in connection with any phase of [casino] development, permitting, licensure or any other matter whatsoever related to casino, personal use cannabis, or medical cannabis activity, except as provided in section 3 of P.L.2009, c.26 (C.52:13D-17.3), and except that:

(1) a member of the immediate family of a person may hold employment with the holder of, or applicant for, a casino license, or the holder of, or applicant for, a license concerning the personal use of cannabis or a permit concerning the medical use of cannabis, issued pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), or the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.), or any entity that employs or uses a certified cannabis handler if, in the

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judgment of the State Ethics Commission, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not interfere with the responsibilities of the person and will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the person;

(2) (a) an employee who is terminated as a result of a reduction in the workforce at the agency where employed, other than an employee who held a policy-making management position at any time during the five years prior to termination of employment, may, at any time prior to the end of the two-year period, accept employment with the holder of, or applicant for, a casino license, personal use cannabis license, or medical cannabis permit, or with an entity that employs or uses a certified cannabis handler if, in the judgment of the State Ethics Commission, the Joint Legislative Committee on Ethical Standards, or the Supreme Court, as appropriate, such employment will not create a conflict of interest, or reasonable risk of the public perception of a conflict of interest, on the part of the employee. In no case shall the restrictions of this subsection apply to a secretarial or clerical employee.

(b) (i) Nothing herein contained shall alter or amend the post-employment restrictions applicable to members and employees of the Casino Control Commission and employees and agents of the Division of Gaming Enforcement pursuant to paragraph (2) of subsection e. [(2)] of section 59 and to section 60 of P.L.1977, c.110 (C.5:12-59 and C.5:12-60); **[and]**

(ii) Nothing herein contained shall alter or amend the post-service or post-employment restrictions applicable to members and employees of the Cannabis Regulatory Commission pursuant to paragraph (2) of subsection c. of section 11 and to section 12 of P.L. , c. (C.) (pending before the Legislature as this bill); and

(3) any partnership, firm or corporation engaged in the practice of law or in providing any other professional services with which any person included in paragraph (1) of subsection a. of this section, or a member of the immediate family of that person, is associated, and any partner, officer, director or employee thereof, other than that person, or immediate family member, may represent, appear for or negotiate on behalf of any holder of, or applicant for, a casino license, personal use cannabis license, or medical cannabis permit, or any entity that employs or uses a certified cannabis handler in connection with any cause, application or matter or any holding company or intermediary company with respect to such holder of, or applicant for, a casino license, personal use cannabis license, or medical cannabis permit, or entity, in connection with any phase of **[casino]** development, permitting, licensure or any other matter whatsoever related to casino or cannabis or medical marijuana activity, and that person or immediate family member shall not be barred from association with such partnership, firm or corporation, if for a period of two years next subsequent to the termination of the person's office or employment, the person or immediate family member (a) is screened from personal

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participation in any such representation, appearance or negotiation; and (b) is associated with the partnership, firm or corporation in a position which does not entail any equity interest in the partnership, firm or corporation. The exception provided in this paragraph shall not apply to a former Governor, Lieutenant Governor, Attorney General, member of the Legislature, person included in paragraph (2) of subsection a. of this section, or to the members of their immediate families.

d. This section shall not apply to the spouse of a State officer or employee, which State officer or employee is without responsibility for matters affecting casino, personal use cannabis, or medical cannabis activity, who becomes the spouse subsequent to the State officer's or employee's appointment or employment as a State officer or employee and who is not individually or directly employed by a holder of, or applicant for, a casino license, personal use cannabis license, or medical cannabis permit, or any entity that employs or uses a certified cannabis handler, or any holding or intermediary company thereof.

e. The Joint Legislative Committee on Ethical Standards and the State Ethics Commission, as appropriate, shall forthwith determine and publish, and periodically update, a list of those positions in State government with responsibility for matters affecting casino, personal use cannabis, and medical cannabis activity.

f. (1) No person shall solicit or accept, directly or indirectly, any complimentary service or discount from any casino applicant or licensee which he knows or has reason to know is other than a service or discount that is offered to members of the general public in like circumstance.

(2) No person shall solicit or accept, directly or indirectly, any complimentary service or discount from any holder of, or applicant for, a license concerning the personal use of cannabis or a permit concerning the medical use of cannabis, issued pursuant to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill), or the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), or any entity that employs or uses a certified cannabis handler to perform work for or on behalf of a licensed cannabis establishment, which the person knows or has reason to know is other than a service or discount that is offered to members of the general public in like circumstance.

g. No person shall influence, or attempt to influence, by use of his official authority, the decision of the **【commission】** Casino Control Commission or the investigation of the **【division】** Division of Gaming Enforcement in any application for casino licensure, or the decision of the Cannabis Regulatory Commission in any application for a personal use cannabis license or medical cannabis permit, or in any proceeding to enforce the provisions of this act or the regulations of **【the】** either commission. Any such attempt shall be promptly reported to the Attorney General; provided, however, that nothing in this section shall

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be deemed to proscribe a request for information by any person concerning the status of any application for licensure or permitting, or any proceeding to enforce the provisions of this act or the regulations of **[the]** either commission.

h. Any person who willfully violates the provisions of this section is a disorderly person and shall be subject to a fine not to exceed \$1,000, or imprisonment not to exceed six months, or both.

In addition, for violations of subsection c. of this section occurring after the effective date of P.L.2005, c.382, a civil penalty of not less than \$500 nor more than \$10,000 shall be imposed upon a former State officer or employee or former special State officer or employee of a State agency in the Executive Branch upon a finding of a violation by the State Ethics Commission, which penalty may be collected in a summary proceeding pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).¹
(cf: P.L.2013, c.27, s.35)

REPLACE SECTION 9 TO READ:

¹**[9.] 16.**¹ (New section) Regulation of ¹**[Marijuana] Cannabis**¹.

a. ¹**[No later than 150 days after the effective date of P.L. ,c. (C.) (pending before the Legislature as this bill), the division]** The commission¹ shall adopt ¹rules and regulations¹, pursuant to ¹**[the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), rules and regulations necessary for implementation of]** subsection d. of section 8 of¹ P.L. ,c. (C.) (pending before the Legislature as this bill), which shall be consistent with the intent of P.L. , c. (C.) (pending before the Legislature as this bill). Such regulations shall not prohibit the operation of ¹**[marijuana] cannabis**¹ establishments, either expressly or through regulations that make their operation unreasonably impracticable. The ¹**[division] commission**¹ may create an expert task force to make recommendations to the ¹**[division] commission**¹ about the content of such regulations. Such regulations shall include:

(1) Procedures for the application, issuance, denial, renewal, suspension, and revocation of a license ¹or conditional license¹ to operate a ¹**[marijuana] cannabis**¹ establishment. Such procedures shall include ¹**[a period of no longer than 90 days by which the division shall provide the applicant with notice of the division's approval or denial of any fully completed application for licensure or renewal, and a period not to exceed 30 days in which a license shall be issued following approval of an application]** a periodic evaluation of whether the number of each class of cannabis establishment is sufficient to meet the market demands of the State, a result of which is the commission's authority to make requests for new applications and issue additional licenses as it deems necessary to meet those demands¹;

(2) ¹**[License application]** Application, licensure,¹ and renewal ¹of licensure¹ fees ¹**[shall be established by the division]**¹;

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(3) ¹**【The division shall establish】** Incorporation of the¹ licensing goals for applicants for licensure who are New Jersey residents ¹established in P.L. , c. (C.) (pending before the Legislature as this bill)¹. The ¹**【division】 commission**¹ shall make good faith efforts to meet these goals. Qualifications for licensure shall be directly and demonstrably related to the operation of a ¹**【marijuana】 cannabis**¹ establishment, provided that the ¹**【division】 commission**¹ shall make licenses available to as diverse a group as possible, including, but not limited to, requirements that no license of any kind shall be issued to a person under the legal age to purchase ¹**【marijuana】 cannabis**¹ items ¹**【**. An applicant shall have a significantly involved person or persons lawfully residing in the State for at least two years as of the date of application to receive a license**】**¹;

(4) ¹**【The division shall establish】** Incorporation of the¹ licensing ¹**【**goals for minority owned and female owned business as these terms are defined in section 3 of P.L. 1983, c.482 (C.52:32-19). The division shall analyze the number of licenses issued in each county and compare that analysis to the number of qualified minority owned and female owned businesses that applied in each county.**】** measures established by the Office of Minority, Disabled Veterans, and Women Cannabis Business Development pursuant to paragraph (1) of subsection c. of section 9 of P.L. , c. (C.) (pending before the Legislature as this bill) to promote the licensing of persons from socially and economically disadvantaged communities, and minority owned and women’s owned businesses, as these terms are defined in section 3 of P.L.1986, c.195 (C.52:27H-21.18), and disabled veterans’ businesses as defined in section 2 of P.L.2015, c.116 (C.52:32-31.2).¹ The ¹**【division】 commission**¹ shall ¹**【**make good faith efforts to meet the goals it establishes for the licensure of minority owned and female owned businesses**】** coordinate with the office with respect to the incorporation of these licensing measures¹;

(5) Security requirements for ¹**【marijuana】 cannabis**¹ establishments;

(6) Requirements to prevent the sale or diversion of ¹**【marijuana and marijuana products】 cannabis items**¹ to persons under the legal age to purchase ¹**【marijuana】 cannabis**¹ items, including, but not limited to, requirements that:

(a) All licensees and licensee representatives, before ¹permitting entrance to a cannabis establishment and¹ selling or serving ¹**【marijuana or marijuana products】 cannabis items**¹ to any person ¹**【**about whom there is any reasonable doubt of the person’s having reached the legal age to purchase marijuana items**】**¹, shall require such person to produce one of the following pieces of identification:

- (i) The person’s passport;
- (ii) The person’s motor vehicle driver’s license, whether issued by New Jersey or by any other state, provided the license displays a picture of the person;

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

(iv) A United States military identification card; ¹or¹

(v) ¹[A photographic identification card issued by a New Jersey county clerk; or

(vi)]¹ Any other identification card issued by a state that bears a picture of the person, the name of the person, the person's date of birth ¹, ¹ and a physical description of the person;

(b) No ¹[marijuana] cannabis¹ establishment shall employ persons under ¹[the legal] 18 years of¹ age ¹[to purchase marijuana items]¹ nor shall any ¹[marijuana] cannabis¹ retailer allow persons under the legal age to purchase ¹[marijuana] cannabis¹ items ¹, other than a person employed by the retailer,¹ to enter or remain on the premises of a ¹[marijuana] cannabis¹ retailer unless accompanied by a parent or legal guardian;

(c) Packaging and branding regulations to prevent marketing of ¹[marijuana] cannabis¹ items and ¹[marijuana] cannabis¹ paraphernalia to people under the legal age to purchase ¹[marijuana] cannabis¹ items;

(7) Labeling and packaging requirements for ¹[marijuana] cannabis¹ items sold or distributed by a ¹[marijuana] cannabis¹ establishment, including, but not limited to, requirements that:

(a) ¹[Packaging and branding rules which prevent marketing of marijuana] Cannabis¹ items and ¹[marijuana] cannabis¹ paraphernalia ¹[to people under the legal age to purchase marijuana items, including, but not limited to, rules that prohibit] are not packaged, branded, or marketed using¹ any statement, illustration, or image that:

(i) Includes false statements;

(ii) Promotes over-consumption;

(iii) Depicts a child or other person under legal age consuming ¹[marijuana] cannabis¹ items; or

(iv) Includes objects, such as toys, characters, or cartoon characters suggesting the presence of a person under the legal age to purchase ¹[marijuana] cannabis¹ items, or any other depiction designed in any manner to be especially appealing to persons under the legal age to purchase ¹[marijuana] cannabis¹ items;

(b) Ensure ¹[marijuana] cannabis¹ items are packaged in child-resistant containers;

(c) ¹[marijuana] Cannabis¹ items warning labels adequately inform consumers about safe ¹[marijuana] cannabis¹ use and warn of the consequences of misuse or overuse;

(d) Labeling rules that mandate clear identification of health and safety information, including, but not limited to:

(i) Net weight;

(ii) Production date and expiration date;

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(iii) An ingredient list that includes, but is not limited to, all ingredients used to manufacture the **1[marijuana] cannabis¹** product and a list of all potential allergens contained within the product;

(iv) Strain or type of cannabis, listed by scientific terms, if available, and generic or “slang” names;

(v) Whether the product requires refrigeration;

(vi) Growth method (whether dirt grown, hydroponic, or otherwise) and an indication whether **1[or not]¹** the cannabis was grown using all-organic materials **1,¹** and a complete list of **1[all] any¹** nonorganic pesticides, fungicides and herbicides used during the cultivation of the cannabis;

(vii) Serving size, the total number of servings, and a statement regarding the percentage of THC contained in the **1[marijuana] cannabis¹** product and in each serving. For example: “The serving size of active THC in this product is X mg. This product contains X servings of **1[marijuana] cannabis¹**, and the total amount of active THC in this product is X mg.” **1[Serving sizes are recommended to be individually wrapped]¹**;

(viii) Warning labels that include, but are not limited to, one or more of the following:

-- “This product contains **1[marijuana] cannabis¹**”; **1[’]¹**

-- “This product is infused with **1[marijuana] cannabis¹**”; **1[’]¹**

-- “This product is intended for use by adults 21 years and older. Keep out of the reach of children **1”¹** ; **1[’]¹**

-- “The intoxicating effects of this product may be delayed by two or more hours **1”¹** ; **1[’]¹**

-- “There may be health risks associated with the consumption of this product, including for women who are pregnant, breastfeeding, or planning on becoming pregnant^{1”¹ ; **1[’]¹**}

-- “Do not drive a motor vehicle or operate heavy machinery while using **1[marijuana] cannabis¹**”; **1[’]¹**

(e) Labeling rules mandate the source of the **1[marijuana] cannabis¹** items, including, but not limited to, the license number of the **1[marijuana] cannabis¹** cultivation facility where the **1[marijuana] cannabis¹** used to produce the **1[marijuana] cannabis¹** item was grown, the license number of the **1[marijuana] cannabis¹** product manufacturing facility that produced the **1[marijuana] cannabis¹** item **1[;]¹** and the license number of the **1[marijuana] cannabis¹** retailer that sold the **1[marijuana] cannabis¹** item and the production batch and lot numbers of the **1[marijuana] cannabis¹** items;

(8) Health and safety regulations and standards for the manufacture and sale of **1[marijuana] cannabis¹** products and the cultivation of **1[marijuana] cannabis¹**, including, but not limited to, requirements that:

(a) Establish accreditation and licensure criteria for **1[marijuana] cannabis¹** testing facilities;

(b) The ¹~~division~~ commission¹ issue licenses for a sufficient number of ¹~~marijuana~~ cannabis¹ testing facilities, if those facilities meet the requirements for licensure, in order to ensure testing of ¹~~marijuana~~ cannabis¹ items produced and sold in the State;

(c) Every licensed ¹~~marijuana~~ cannabis¹ cultivation facility and ¹~~marijuana~~ cannabis¹ product manufacturing facility shall ¹~~submit representative~~ permit representatives of cannabis testing facilities to make scheduled and unscheduled visits to facilities in order to obtain random¹ samples of ¹~~marijuana and marijuana products~~ cannabis¹ items, in a quantity established by the commission¹, to ¹~~marijuana~~ be transported to cannabis¹ testing facilities for inspection and testing to certify compliance with health, safety, and potency standards adopted by the ¹~~division on a schedule set by the division~~ commission¹. Any sample remaining after testing shall be destroyed or returned to the licensee;

(d) Prescribe methods of producing, processing, and packaging ¹~~marijuana~~ cannabis¹ items; conditions of sanitation; safe handling requirements; approved pesticides and pesticide testing requirements; and standards of ingredients, quality, and identity of ¹~~marijuana~~ cannabis¹ items produced, processed, packaged, or sold by ¹~~marijuana~~ cannabis¹ establishments;

(e) Establish accreditation and licensing criteria for responsible ¹~~marijuana~~ cannabis¹ server and seller training and certification programs for ¹~~marijuana~~ cannabis¹ retailer employees;

(f) Provide that no licensed ¹~~marijuana~~ cannabis¹ establishment or employee of a ¹~~marijuana~~ cannabis¹ establishment shall consume, or allow to be consumed, any ¹~~marijuana~~ cannabis¹ items on the establishment's premises, except as otherwise permitted by the ¹~~division~~ commission¹;

(g) Set appropriate dosage, potency, and serving size limits for ¹~~marijuana~~ cannabis¹ and other ¹~~marijuana~~ cannabis¹ products, provided that a standardized serving of ¹~~marijuana~~ cannabis¹ shall be no more than 10 milligrams of active THC and no individual edible retail product unit for sale shall contain more than 100 milligrams of active THC, and that ¹~~marijuana~~ cannabis¹ and ¹~~marijuana~~ cannabis¹ product packaging prevent children from access;

(h) Require that each single standardized serving of ¹~~marijuana~~ cannabis¹ in a multiple-serving edible ¹~~marijuana~~ cannabis¹ product is physically demarked in a way that enables a reasonable person to determine how much of the product constitutes a single serving of active THC, and that each standardized serving of ¹~~marijuana~~ cannabis¹ shall be easily separable to allow an average person 21 years of age ¹~~and over~~ or older¹ to physically separate, with minimal effort, individual servings of the product;

(i) Require that, if it is impracticable to clearly demark every standardized serving of ¹~~marijuana~~ cannabis¹ or to make each

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standardized serving easily separable in an edible ¹【marijuana】 cannabis¹ product, the product shall contain no more than 10 milligrams of active THC per unit of sale;

(j) Establish screening, hiring, training, and supervising requirements for retail store employees and others who manufacture or handle ¹【marijuana】 cannabis¹ items;

(k) Promote general sanitary requirements for the handling, storage, and disposal of ¹【marijuana】 cannabis¹ items, and the maintenance of ¹【marijuana】 cannabis¹ establishments;

(l) Provide for rigorous auditing, inspection, and monitoring of ¹【marijuana】 cannabis¹ establishments for compliance with health and safety rules and regulations;

(m) Require the implementation of security requirements for retail outlets and premises where ¹【marijuana】 cannabis¹ items are produced or processed, and safety protocols for ¹【marijuana】 cannabis¹ establishments and their employees;

(n) Prescribe reasonable restrictions on the manner, methods, and means by which licensees shall transport ¹【marijuana】 cannabis¹ items within the State; and

(o) Establish procedures for identification, seizure, confiscation, destruction, or donation to law enforcement for training purposes of all ¹【marijuana】 cannabis¹ or ¹【marijuana】 cannabis¹ products produced, processed, sold, or offered for sale within this State which do not conform in all respects to the standards prescribed by ¹【this chapter or the rules adopted to implement and enforce these chapters】 P.L. __, c. (C. __) (pending before the Legislature as this bill)¹;

(9) Restrictions on the advertising and display of ¹【marijuana】 cannabis¹ items and ¹【marijuana】 cannabis¹ paraphernalia, including, but not limited to, requirements that:

(a) Restrict advertising of ¹【marijuana】 cannabis¹ items and ¹【marijuana】 cannabis¹ paraphernalia in ways that target or are designed to appeal to individuals under the legal age to purchase ¹【marijuana】 cannabis¹ items, including, but not limited to depictions of a person under 21 years of age consuming ¹【marijuana】 cannabis¹, or, includes objects, such as toys, characters, or cartoon characters suggesting the presence of a person under 21 years of age, or any other depiction designed in any manner to be especially appealing to a person under 21 years of age;

(b) No licensed ¹【marijuana】 cannabis¹ establishment shall advertise any ¹【marijuana】 cannabis¹ items or ¹【marijuana】 cannabis¹ paraphernalia on television, or radio between the hours of 6:00am and 10:00pm;

(c) No licensed ¹【marijuana】 cannabis¹ establishment shall engage in advertising unless it has reliable evidence that at least 71.6 percent of the audience for the advertisement is reasonably expected to be 21 years of age or older ¹【which is the legal age to purchase marijuana items】¹;

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(d) No licensed **1**[marijuana] cannabis**1** establishment may engage in advertising or marketing directed towards location-based devices, including but not limited to cellular phones, unless the marketing is a mobile device application installed on the device by the owner of the device who is 21 years of age or older and includes a permanent and easy opt-out feature and warnings that **1**[restrict usage] the use**1** of **1**[marijuana] cannabis**1** products is restricted**1** to persons 21 years of age or **1**[over] older**1**;

(e) No licensed **1**[marijuana] cannabis**1** establishment may sponsor a charitable, sports, musical, artistic, cultural, social, or other similar event or engage in advertising at or in connection with such an event unless it has reliable evidence that no more than 20 percent of the audience at the event is reasonably expected to be under the legal age to purchase **1**[marijuana] cannabis**1** items;

(f) All advertisements shall contain **1**[warnings, including but not limited to one or more of] the following warning**1**:

1[(i)]**1** “This product contains **1**[marijuana];”

(ii) “marijuana can impair concentration, coordination, and judgment. Do not operate a vehicle or machinery under the influence of this drug;”

(iii) “There may be health risks associated with the consumption of this product;

(iv) **1**[cannabis.**1** For use only by adults 21 years of age **1**[and] or**1** older. Keep out of the reach of children.”**1** ; **1**[

(v) “This product was produced without regulatory oversight for health, safety **1**,**1** or efficacy;”

(vi) “The intoxicating effects of this product may be delayed by two or more hours;

(vii) “There may be health risks associated with the consumption of this product, including for women who are pregnant, breastfeeding, or planning on becoming pregnant.”

1[(g)]**1** No licensed **1**[marijuana] cannabis**1** establishment shall place or maintain, or cause to be placed or maintained, an advertisement of **1**[marijuana] cannabis**1** items or **1**[marijuana] cannabis**1** paraphernalia in any form or through any medium whatsoever within 200 feet of an elementary or secondary school grounds **1**[, recreation center or facility, arcade, child care center, public park, playground, public swimming pool, or library; on or in a public transit vehicle or public transit shelter; on or in publicly owned or operated property]**1**.

For the purposes of this section, a noncommercial message shall not be considered an advertisement. This section also shall not apply to advertisements within the premises of a **1**[marijuana] cannabis**1** retailer.

(10) A requirement that only **1**[marijuana] cannabis**1** items and **1**[marijuana] cannabis**1** paraphernalia are available for sale at a **1**[marijuana] cannabis**1** establishment; **1**[and]**1**

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(11) Procedures for the ¹**[division] commission**¹ to conduct announced and unannounced visits to ¹**[marijuana] cannabis**¹ establishments to make, or cause to be made, such investigations as it shall deem proper in the administration of P.L. , c. (C.) (pending before the Legislature as this bill) and any and all other laws which may hereafter be enacted concerning ¹**[marijuana] cannabis**¹, or the manufacture, distribution or sale thereof, or the collection of taxes thereon, including the inspection and search of premises for which the license is sought or has been issued, of any building containing the same, of licensed buildings, examination of the books, records, accounts, documents and papers of the licensees or on the licensed premises;

(a) The ¹**[division] commission**¹ shall be authorized, after adequate notice to the owner or the agent of the owner, to make an examination of the books and may at any time make an examination of the premises of any person licensed under P.L. , c. (C.) (pending before the Legislature as this bill) for the purpose of determining compliance with this act and the rules of the ¹**[division] commission**¹. The ¹**[division] commission**¹ shall not require the books of any licensee to be maintained on the premises of the licensee;

(b) The ¹**[division] commission**¹ may, at any time, examine the books and records of any ¹**[marijuana] cannabis**¹ licensee, and may appoint auditors, investigators and other employees that the ¹**[division] commission**¹ considers necessary to enforce its powers and perform its duties;

(c) During any inspection of a licensed premises, the ¹**[division] commission**¹ may require proof that a person performing work at the premises is ¹**[21] 18**¹ years of age or older. If the person does not provide the ¹**[division] commission**¹ with acceptable proof of age upon request, the ¹**[division] commission**¹ may require the person to immediately cease any activity and leave the premises until the ¹**[division] commission**¹ receives acceptable proof of age; and

(d) The ¹**[division] commission**¹ shall not be required to obtain a search warrant to conduct an investigation or search of licensed premises;

(12) Record keeping requirements, including ¹,¹ but not limited to¹,¹ the following:

(a) The obligation of every ¹**[marijuana] cannabis**¹ grower to keep a complete and accurate record of all sales of ¹**[marijuana] cannabis**¹ flowers, ¹**[marijuana] cannabis**¹ leaves, and immature ¹**[marijuana] cannabis**¹ plants, and a complete and accurate record of the number of ¹**[marijuana] cannabis**¹ flowers produced, the number of ounces of ¹**[marijuana] cannabis**¹ leaves produced, the number of immature ¹**[marijuana] cannabis**¹ plants produced, and the dates of production; and the obligation of every ¹**[marijuana] cannabis**¹ establishment to keep a complete and accurate record of all sales of ¹**[marijuana]**

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cannabis¹, and a complete and accurate record of the number of ounces of ¹**【marijuana】** cannabis¹ items sold, provided that ¹**【marijuana】** cannabis¹ retailers shall not retain personally identifying information about persons 21 years of age ¹**【who】**¹ or older who purchase ¹**【marijuana】** cannabis¹ or ¹**【marijuana】** cannabis¹ products in ¹**【marijuana】** cannabis¹ retailers;

(b) Such records shall be kept and maintained for two years and the records shall be in such form and contain such other information as the ¹**【division】** commission¹ may require; and

(c) The ¹**【division】** commission¹ may at any time, with adequate notice, examine the books and records of any ¹**【marijuana】** cannabis¹ establishment, and may appoint auditors, investigators, and other employees that the ¹**【division】** commission¹ considers necessary to enforce its powers and duties as described in P.L. , c. (C.) (pending before the Legislature as this bill);

(13) Procedures for inspecting samples of ¹**【marijuana】** cannabis¹ items, including:

(a) On a schedule determined by the ¹**【division】** commission¹, every licensed ¹**【marijuana】** cannabis¹ grower and processor shall submit representative samples of ¹**【marijuana】** cannabis¹, useable ¹**【marijuana】** cannabis¹, or ¹**【marijuana】** cannabis¹ -infused products produced or processed by the licensee to an independent, third-party testing laboratory meeting the accreditation requirements established by the ¹**【division】** commission¹, for inspection and testing to certify compliance with standards adopted by the ¹**【division】** commission¹. Any sample remaining after testing shall be destroyed by the laboratory or returned to the licensee;

(b) Licensees shall submit the results of this inspection and testing to the ¹**【division】** commission¹ on a form developed by the ¹**【division】** commission¹; and

(c) If a representative sample inspected and tested under this section does not meet the applicable standards adopted by the ¹**【division】** commission¹, the entire lot from which the sample was taken shall be destroyed;

(14) Establishing the number of ¹**【marijuana】** cannabis¹ retailers:

(a) Assuming there are sufficient qualified applicants for licensure, the ¹**【division】** commission¹ shall issue a sufficient number of Class 4 Retailer licenses ¹**【**, not to exceed a maximum of 218 licenses, as follows:

- (i) at least two licenses per legislative district;
- (ii) 40 at large licenses; and
- (iii) a maximum of 98 medical licenses;

(b) A determination of the maximum number of marijuana retailers that may be licensed in each local governmental entity, taking into consideration:

(i) to meet the market demands of the State, and giving regard to geographical and¹ population distribution ¹**【**, provided that the

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division shall consider seasonal fluctuations in the population of the county and shall ensure that there are adequate licensed premises to serve the market demands of the county during the peak seasons] throughout the State¹; and

¹[(ii)] (b)¹ the provision of adequate access to licensed sources of useable ¹[marijuana] cannabis¹ and ¹[marijuana] cannabis¹ products to discourage purchases from the illegal market; and

(15) Civil penalties for the failure to comply with regulations ¹[made] adopted¹ pursuant to this section.

b. In order to ensure that individual privacy is protected, the ¹[division] commission¹ shall not require a consumer to provide a ¹[marijuana] cannabis¹ retailer with personal information other than government-issued identification to determine the consumer's age, and a ¹[marijuana] cannabis¹ retailer shall not ¹[be required to acquire and record] collect and retain any¹ personal information about consumers other than information typically acquired in a financial transaction conducted by the holder of a Class C retail license concerning alcoholic beverages as set forth in R.S.33:1-12.

c. Once regulations are adopted pursuant to subsection a. of this section, but prior to the commencement of the application process, the ¹[division] commission¹ shall conduct a series of information sessions in every county in New Jersey to educate residents of New Jersey about the responsibilities, opportunities, requirements, obligations, and processes for application for a license to operate a ¹[marijuana] cannabis¹ establishment. The ¹[division] commission¹ shall conduct an appropriate number of information sessions in each county considering the population of each county, but no fewer than two information sessions in each county. The ¹[division] commission¹ shall publicize the day, time, location, and agenda of these information sessions broadly through television, radio, Internet, print, and ¹[through]¹ local agencies.

d. The ¹[division] commission¹ shall:

(1) Examine available research, and may conduct or commission new research or convene an expert task force, to investigate the influence of ¹[marijuana] cannabis¹ on the ability of a person to drive a vehicle and on the concentration of delta-9 tetrahydrocannabinol in a person's blood, in each case taking into account all relevant factors; and

(2) ¹[Present] Report, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1),¹ the results of the research to the Legislature and make recommendations to the Legislature regarding ¹[whether any amendments to the rules and regulations adopted by the division are appropriate] legislation or other legislative action as the commission deems necessary¹.

REPLACE SECTION 10 TO READ:

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¹~~10.~~ 17.¹ (New section) Tracking System. a. The ¹~~division~~ commission¹ shall develop and maintain a system for tracking the transfer of ¹~~marijuana~~ cannabis¹ items between licensed premises.

b. The purposes of the system developed and maintained under this section include, but are not limited to:

(1) Preventing the diversion of ¹~~marijuana~~ cannabis¹ items to criminal enterprises, gangs, cartels, and other states;

(2) Preventing persons from substituting or tampering with ¹~~marijuana~~ cannabis¹ items;

(3) Ensuring an accurate accounting of the production, processing, and sale of ¹~~marijuana~~ cannabis¹ items;

(4) ¹~~Ensuring that taxes are collected~~ Assisting the Director of the Division of Taxation with the collection of taxes¹ for the purpose of being distributed as described in ¹~~subsection h. of~~ section ¹~~11~~ 18¹ of P.L. , c. (C.) (pending before the Legislature as this bill);

(5) Ensuring that laboratory testing results are accurately reported; and

(6) Ensuring compliance with the rules and regulations adopted under the provisions of P.L. , c. (C.) (pending before the Legislature as this bill), and any other law of this State that charges the ¹~~division~~ commission¹ with a duty, function, or power related to ¹~~marijuana~~ cannabis¹.

c. The system developed and maintained under this section shall be capable of tracking, at a minimum:

(1) The propagation of immature ¹~~marijuana~~ cannabis¹ plants and the production of ¹~~marijuana~~ cannabis¹ by a ¹~~marijuana~~ cannabis¹ processor;

(2) The processing of ¹~~marijuana~~ cannabis¹ by a ¹~~marijuana~~ cannabis¹ processor;

(3) The receiving, storing, and delivering of ¹~~marijuana~~ cannabis¹ items by a ¹~~marijuana~~ cannabis¹ wholesaler;

(4) The sale of ¹~~marijuana~~ cannabis¹ items by a ¹~~marijuana~~ cannabis¹ retailer to a consumer;

(5) The purchase and sale of ¹~~marijuana~~ cannabis¹ items between licensees;

(6) The transfer of ¹~~marijuana~~ cannabis¹ items between licensed premises;

(7) The ¹~~collection~~ amount¹ of taxes imposed upon the retail sale of ¹~~marijuana~~ cannabis¹ items; and

(8) Any other information that the ¹~~division~~ commission¹ determines is reasonably necessary to accomplish the duties, functions, and powers of the ¹~~division~~ commission¹.

REPLACE SECTION 11 TO READ:

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¹~~11.~~ 18.¹ (New section) Taxation ¹; Business Treatment¹ . a. ¹~~(1)~~ There shall be ¹~~[a]~~ an excise¹ tax levied upon ¹~~[marijuana]~~ cannabis¹ or ¹~~[marijuana]~~ cannabis¹ products sold or otherwise transferred by a ¹~~[marijuana]~~ cannabis¹ retailer to a person 21 years of age or older. ¹~~[That tax shall include the prevailing sales tax.]~~¹ To encourage early participation in and development of ¹~~[marijuana]~~ cannabis¹ establishments and to undermine the illegal marketplace, the tax ¹~~[shall escalate as follows: in year one following the enactment of P.L. , c. (C.) (pending before the Legislature as this bill), the excise tax]~~¹ shall be ¹~~[10]~~ 12¹ percent ¹~~;~~ in year two, the tax shall be 15 percent; in year three, the tax rate shall be 20 percent; and in year four and beyond, the tax shall be 25 percent¹. ¹~~[These]~~ The¹ excise ¹~~[taxes]~~ tax¹ set forth in this ¹~~[subsection]~~ paragraph¹ shall include the prevailing sales tax.

¹~~(2)~~ A local governmental entity where a cannabis establishment is located may assess and collect an excise tax of two percent upon cannabis or cannabis products sold or otherwise transferred by that establishment, which shall be deposited into the treasury of the local governmental entity.¹

b. The ¹~~[division]~~ commission¹ shall regularly review the tax levels established under this section and make recommendations to the Legislature as appropriate regarding adjustments that would further the goals of discouraging use, particularly by those under ¹~~[the age of]~~ 21 years of age¹; undercutting illegal market prices; and maximizing taxation revenue.

c. ¹~~[Statements as to quantities sold.]~~¹ At such periods to be established by the ¹~~[Department of the Treasury]~~ commission¹, but no more than once per calendar month, every ¹~~[marijuana]~~ cannabis¹ grower and processor shall file with the ¹~~[Division of Taxation in the Department of the Treasury]~~ commission¹ a statement of the quantities of ¹~~[marijuana]~~ cannabis¹ flowers, ¹~~[marijuana]~~ cannabis¹ leaves, and immature ¹~~[marijuana]~~ cannabis¹ plants sold by the ¹~~[marijuana]~~ cannabis¹ grower or processor during the preceding period.

d. ¹~~[Estimate by Division of Taxation when statement not filed or false statement filed.]~~¹ If any ¹~~[marijuana]~~ cannabis¹ grower ¹~~[and]~~ or¹ processor fails, neglects, or refuses to file a statement required by subsection c. of this section or files a false statement, the ¹~~[Department of the Treasury]~~ Director of the Division of Taxation¹ shall estimate the quantities of ¹~~[marijuana]~~ cannabis¹ flowers, ¹~~[marijuana]~~ cannabis¹ leaves, and immature ¹~~[marijuana]~~ cannabis¹ plants sold by the ¹~~[marijuana]~~ cannabis¹ grower or processor and assess the taxes thereon. The ¹~~[marijuana]~~ cannabis¹ grower or processor shall be estopped from ¹~~[complaining of]~~

requesting revisions to, objecting to, or otherwise appealing¹ the quantities so estimated.

e. ¹[Lien created by the tax.]¹ The tax required to be paid pursuant to this section constitutes a lien upon, and has the effect of an execution duly levied against, any and all property of the ¹[marijuana] cannabis¹ retailer, attaching at the time the ¹[marijuana] cannabis¹ flowers, ¹[marijuana] cannabis¹ leaves, and immature ¹[marijuana] cannabis¹ plants subject to the tax were sold, and remaining until the tax is paid. The lien created by this section is paramount to all private liens or encumbrances.

f. The Department of the Treasury ¹, in consultation with the commission,¹ shall establish procedures for the collection of all taxes levied ¹and for assisting local governmental entities in their collection of the optional excise tax¹.

g. No tax established by this section shall be levied upon ¹[marijuana intended for sale at]¹ medical ¹[marijuana centers] cannabis dispensed¹ pursuant to the “New Jersey Compassionate Use Medical ¹[Marijuana] Cannabis¹ Act,” P.L.2009, c.307 (C.24:6I-1 et ¹[seq.] al.¹) ¹or P.L.2015, c.158 (C.18A:40-12.22 et al.)¹.

h. The tax revenue ¹, other than the two percent excise tax revenue collected by a local governmental entity,¹ shall be collected by the Director of the Division of Taxation and shall be deposited by the ¹[Director of the Division of Taxation] director¹ into the ¹[nonlapsing fund] Cannabis Regulatory and Expungement Aid Modernization Fund¹ established pursuant to section ¹[39] 70¹ of P.L., c. (C.) (pending before the Legislature as this bill) ¹[, and] Monies in the fund¹ shall be used to fund the ¹[Division of Marijuana Enforcement, except that one percent shall be allocated annually to the local governmental entity in which the marijuana establishment is located, to be dedicated to drug prevention and treatment] commission’s operations as well as to defray costs, in an amount determined by the Legislature in the annual appropriations act or any other act, associated with the filing and review of applications for persons seeking expedited expungement relief pursuant to section 37 of P.L. , c. (C.) (pending before the Legislature as this bill) for a conviction of obtaining or possessing marijuana or hashish in violation of paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, which act of possession occurred prior to the enactment of P.L. , c. (C.) (pending before the Legislature as this bill), and any remaining revenue shall be deposited in the State’s General Fund.

i. With respect to the business treatment of cannabis establishments:

(1) In no case shall a cannabis grower operate or be located on land that is valued, assessed or taxed as an agricultural or horticultural use pursuant to the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

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(2) As used in this paragraph, “economic incentive” includes, but is not limited to, operating as a certified seller in a designated enterprise zone established pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et al.), or a UEZ-impacted business district established pursuant to P.L.2001, c.347 (C.52:27H-66.2et al.).

(a) (i) A person or entity issued a license to operate as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer shall not be eligible for a State or local economic incentive.

(ii) The issuance of a license to operate as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer to a person or entity that has been awarded a State or local economic incentive shall invalidate the right of the person or entity to benefit from the economic incentive as of the date of issuance of the license.

(b) (i) A property owner, developer, or operator of a project to be used, in whole or in part, as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer shall not be eligible for a State or local economic incentive during the period of time that the economic incentive is in effect.

(ii) The issuance of a license to operate as a cannabis grower, cannabis processor, cannabis wholesaler, or cannabis retailer at a location that is the subject of a State or local economic incentive shall invalidate the right of a property owner, developer, or operator to benefit from the economic incentive as of the date of issuance of the license¹.

REPLACE SECTION 12 TO READ:

¹**[12.] 19.**¹ (New section) Local Governmental Entity Regulations or Ordinances.

a. A local governmental entity may enact ordinances or regulations, not in conflict with the provisions of P.L. , c. (C.) (pending before the Legislature as this bill):

(1) governing the time, ¹**[place] location**¹, manner, and number of ¹**[marijuana establishment operations] cannabis establishments**¹; and

(2) establishing civil penalties for violation of an ordinance or regulation governing the time, ¹**[place] location**¹, and manner of a ¹**[marijuana] cannabis**¹ establishment that may operate in such local governmental entity.

b. A local governmental entity may prohibit the operation of ¹**[marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or marijuana retailers]** any one or more classes of cannabis establishment within the jurisdiction of the local governmental entity¹ through the enactment of an ordinance ¹, and this prohibiting ordinance shall apply throughout the local governmental entity, even if that local governmental entity or parts thereof fall within any district, area, or

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other geographical jurisdiction for which land use planning, site planning, zoning requirements, or other development authority is exercised by an independent State authority, commission, instrumentality, or agency pursuant to the enabling legislation that governs its duties, functions, and powers, even if this development authority is expressly stated or interpreted to be exclusive thereunder; the local prohibiting ordinance applies, notwithstanding the provisions of any independent State authority law to the contrary¹. The failure of a local governmental entity to enact an ordinance prohibiting the operation of ¹["a marijuana] one or more classes of cannabis¹ establishment within 180 days following the ¹["effective date of P.L. , c. (C.) (pending before the Legislature as this bill)] adoption of the commission's initial rules and regulations pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill),¹ shall ¹["thereby permit the operation of a marijuana retail establishment] result in any class of cannabis establishment that is not prohibited from operating¹ within the local governmental entity ¹["for a period of five years, at] as being permitted to operate therein as follows: the growing, cultivating, processing, and selling and reselling of cannabis and cannabis items by a cannabis grower, cannabis processor, or cannabis wholesaler shall be permitted uses in all industrial zones of the local governmental entity; and the selling of cannabis items to consumers from a retail store by a cannabis retailer shall be a conditional use in all commercial zones or retail zones, subject to meeting the conditions set forth in any applicable zoning ordinance or receiving a variance from one or more of those conditions in accordance with the "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.). At¹ the end of ¹["which five year] a five-year¹ period ¹following the initial failure of a local governmental entity to enact an ordinance prohibiting the operation of one or more classes of cannabis establishment¹, and every ¹["five year] five-year¹ period thereafter ¹following a failure to enact a prohibiting ordinance¹, the local governmental entity shall again be permitted to prohibit the ¹future¹ operation of ¹["a marijuana] any one or more classes of cannabis¹ establishment ¹through the enactment of an ordinance, but this ordinance shall be prospective only and not apply to any cannabis establishment operating in the local governmental entity prior to the enactment of the ordinance.

(2) Any local governmental entity that does not prohibit the operations of one or more classes of cannabis establishment through the enactment of an ordinance as authorized pursuant to paragraph (1) of this subsection shall, with respect to any regulation of a cannabis establishment, enact ordinances that include non-discriminatory and non-exclusionary regulations and conditions

with respect to any zoning or other ordinance, and concerning land use approvals¹.

c. (1) When the 1[division] commission¹ receives an application for initial licensing or renewal of an existing license for any 1[marijuana] cannabis¹ establishment 1pursuant to section 20 of P.L. , c. (C.) (pending before the Legislature as this bill)¹, or endorsement for a 1[retail marijuana] cannabis¹ consumption area 1pursuant to section 71 of P.L. , c. (C.) (pending before the Legislature as this bill)¹, the 1[division] commission¹ shall provide, within seven days, a copy of the application to the local governmental entity in which the establishment 1or consumption area¹ is to be located, unless the local governmental entity has prohibited the operation of 1[retail marijuana establishments] the particular class of cannabis establishment for which the application for licensure is sought, or in the case of an application seeking a consumption area endorsement, prohibited the operation of cannabis retailers¹. The local jurisdiction shall determine whether the application complies with local restrictions on time, 1[place] location¹, manner, and the number of 1[marijuana] cannabis¹ businesses. The local jurisdiction shall inform the 1[division] commission¹ whether the application complies with local restrictions on time, 1[place] location¹, manner, and the number of 1[marijuana] cannabis¹ businesses.

(2) A local governmental entity may impose a separate local licensing or endorsement requirement as a part of its restrictions on time, 1[place] location¹, manner, and the number of 1[marijuana] cannabis¹ businesses. A local governmental entity may decline to impose any local licensing or endorsement requirements, but a local jurisdiction shall notify the 1[division] commission¹ that it either approves or denies each application forwarded to it.

REPLACE SECTION 13 TO READ:

1[13.] 20.¹ (New section) Application 1For License or Conditional License¹. a. Each application for an annual license to operate a 1[marijuana] cannabis¹ establishment 1, or conditional license for a proposed cannabis establishment,¹ shall be submitted to the 1[division] commission¹. A separate license 1or conditional license¹ shall be required for each location at which a 1[marijuana] cannabis¹ establishment seeks to operate. Renewal applications 1for another annual license¹ may be filed up to 90 days prior to the expiration of the establishment's license. 1[The division] A conditional license shall not be renewed, but replaced with an annual license upon the commission's determination of qualification for the annual license, or otherwise expire, as set forth in paragraph (2) of subsection b. of this section.

b. (1) Regarding the application for and issuance of annual licenses, the commission¹ shall:

¹**[(1)] (a)**¹ begin accepting and processing applications ¹within¹ 30 days after the ¹commission's initial¹ rules and regulations have been adopted pursuant to ¹subparagraph (a) of paragraph (1) of subsection d. of¹ section ¹**[9] 8**¹ of P.L. , c. (C.) (pending before the Legislature as this bill);

¹**[(2) immediately] (b)**¹ forward ¹within seven days of receipt,¹ a copy of each application to the local governmental entity in which the applicant desires to operate the ¹**[marijuana] cannabis**¹ establishment; ¹and¹

¹**[(3)] (c)** review the qualifications for the applicable license class, set forth in section 21, 23, 24, or 25 of P.L. , c. (C.) (pending before the Legislature as this bill) for which the applicant seeks licensure, and not more than 90 days after the receipt of an application, make a determination as to whether the application is approved or denied, or that the commission requires more time to adequately review the application:

(i) if the application is approved,¹ upon ¹**[the approval of a license application and]**¹ collection of the ¹**[annual]**¹ license fee, issue an annual license to the applicant ¹**[between 45 and 90] no later than 30**¹ days after ¹**[receipt] giving notice**¹ of ¹**[an] approval of the**¹ application unless the ¹**[division] commission**¹ finds the applicant is not in compliance with regulations ¹for annual licenses¹ enacted pursuant to the provisions of ¹paragraph (1) of subsection d. of¹ section ¹**[9] 8**¹ of P.L. , c. (C.) (pending before the Legislature as this bill) or the ¹**[division] commission**¹ is notified by the relevant local governmental entity that the applicant is not in compliance with ordinances and regulations made pursuant to the provisions of section ¹**[12] 19**¹ of P.L. , c. (C.) (pending before the Legislature as this bill) and in effect at the time of application, provided, ¹**[where] if**¹ a local governmental entity has enacted a numerical limit on the number of ¹**[marijuana] cannabis**¹ establishments and a greater number of applicants seek licenses, the ¹**[division] commission**¹ shall solicit and consider input from the local governmental entity as to the local governmental entity's preference or preferences for licensure; ¹**[and] or**

¹**[(4) upon denial of an] (ii) if the**¹ application ¹is denied¹, notify the applicant in writing of the specific reason for its denial.

¹**[b. No employee of the division shall have any interest, directly or indirectly, in the producing, processing, or sale of marijuana, marijuana products, or marijuana paraphernalia, or derive any profit or remuneration from the sale of marijuana, marijuana products, or marijuana paraphernalia, other than the salary or wages payable to him in respect of his position, or receive any gratuity from any person in connection with the application for a license or the sale of marijuana, marijuana products, or marijuana paraphernalia.]**

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(2) Regarding the application for and issuance of conditional licenses, the commission shall:

(a) begin accepting and processing applications from applicants within 30 days after the commission's initial rules and regulations have been adopted pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill), and ensure that at least 35 percent of the total licenses issued for each class of cannabis establishment are conditional licenses, which 35 percent figure shall also include any conditional license issued to an applicant which is subsequently replaced by the commission with an annual license due to that applicant's compliance for the annual license pursuant to subsubparagraph (i) of subparagraph (d) of this paragraph;

(b) forward, within seven days of receipt, a copy of each application to the local governmental entity in which the applicant desires to operate a proposed cannabis establishment; and

(c) review the following qualifications for a conditional license:

(i) that the application include at least one significantly involved person who has resided in this State for at least two years as of the date of the application;

(ii) a listing included with the application, showing all persons with a financial interest who also has decision making authority for the proposed cannabis establishment detailed in the application;

(iii) proof that the significantly involved person and any other person with a financial interest who also has decision making authority for the proposed cannabis establishment is 21 years of age or older;

(iv) the name, address, date of birth, and resumes of each executive officer and all other persons with a financial interest who also has decision making authority for the proposed cannabis establishment, as well as a photocopy of their driver's licenses or other government-issued form of identification, plus background check information in a form and manner determined by the commission; concerning the background check, an application shall be denied if any person has any disqualifying conviction pursuant to subparagraph (c) of paragraph (4) of subsection a. of section 21, 23, 24, or 25, based upon the applicable class of cannabis establishment for which the application was submitted, unless the commission determines pursuant to subsubparagraph (ii) of those subparagraphs that the conviction should not disqualify the application;

(v) proof that each person with a financial interest who also has decision making authority for the proposed cannabis establishment has, for the immediately preceding taxable year, an adjusted gross income of no more than \$200,000 or no more than \$400,000 if filing jointly with another, or has, at any time in the past five taxable years, received federal or State financial assistance;

(vi) a certification that each person with a financial interest who also has decision making authority for the proposed cannabis establishment does not have any financial interest in an application

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for an annual license under review before the commission or a cannabis establishment that is currently operating with an annual license;

(vii) the federal and State tax identification numbers for the proposed cannabis establishment, and proof of business registration with the Division of Revenue in the Department of the Treasury;

(viii) information about the proposed cannabis establishment, including its legal name, any registered alternate name under which it may conduct business, and a copy of its articles of organization and bylaws;

(ix) the business plan and management operation profile for the proposed cannabis establishment;

(x) the plan by which the applicant intends to obtain appropriate liability insurance coverage for the proposed cannabis establishment; and

(xi) any other requirements established by the commission pursuant to regulation; and

(d) not more than 30 days after the receipt of an application, make a determination as to whether the application is approved or denied, or that the commission requires more time to adequately review the application:

(i) if the application is approved, upon collection of the conditional license fee, issue a conditional license to the applicant, which is non-transferable for its duration, no later than 30 days after giving notice of approval of the application, unless the commission finds the applicant is not in compliance with regulations for conditional licenses enacted pursuant to the provisions of paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the legislature as this bill) or the commission is notified by the relevant local governmental entity that the applicant is not in compliance with ordinances and regulations made pursuant to the provisions of section 19 of P.L. , c. (C.) (pending before the Legislature as this bill) and in effect at the time of application, provided, if a local governmental entity has enacted a numerical limit on the number of marijuana cannabis establishments and a greater number of applicants seek licenses, the commission shall solicit and consider input from the local governmental entity as to the local governmental entity's preference or preferences for licensure. For each license issued, the commission shall also provide the approved licensee with documentation setting forth the remaining conditions to be satisfied under section 21, 23, 24, or 25 of P.L. , c. (C.) (pending before the Legislature as this bill), based upon the applicable class of cannabis establishment for which the conditional license was issued, and which were not already required for the issuance of that license, to be completed within 120 days of issuance of the conditional license. If the commission subsequently determines during that 120-day period that the conditional licensee is in compliance with all applicable conditions and is implementing the plans, procedures, protocols,

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actions, or other measures set forth in its application, the commission shall replace the conditional license by issuing an annual license, which will expire one year from its date of issuance; if the conditional licensee is not in compliance with all applicable conditions or not implementing the plans, procedures, protocols, actions, or other measures set forth in its application, the conditional license shall automatically expire at the end of the 120-day period; or

(ii) if the application is denied, notify the applicant in writing of the specific reason for its denial, and provide with this written notice a refund of 80 percent of the application fee submitted with the application;

(3) a commission decision concerning the approval, re-approval, or denial of a license or conditional license made pursuant to this section shall be considered a final agency action for the purposes of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial review as provided in the Rules of Court.

c. The commission shall require all applicants for cannabis licenses, other than applicants issued a conditional license for any form of cannabis establishment or issued either a conditional or annual license for an establishment that is a microbusiness pursuant to subsection f. of this section, to submit an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement with such bona fide labor organization. The maintenance of a labor peace agreement with a bona fide labor organization by a licensed cannabis establishment, other than an establishment that is a microbusiness, shall be an ongoing material condition of the establishment's license. The submission of an attestation and maintenance of a labor peace agreement with a bona fide labor organization by an applicant issued a conditional license for a cannabis establishment, other than an establishment that is a microbusiness, shall be a requirement for final approval for an annual license. Failure to enter, or to make a good faith effort to enter, into a collective bargaining agreement within 200 days of the opening of a licensed cannabis establishment, other than an establishment that is a microbusiness, shall result in the suspension or revocation of the establishment's license.

d. (1) Each license application shall be scored and reviewed based upon a point scale with the commission determining the amount of points, the point categories, and the system of point distribution by regulation. The commission shall rank all applicants, from the most to the least points, according to the point system. The commission may, pursuant to a process set forth in regulation, adjust the point system or utilize a separate point system and rankings with respect to the review of an application for which a conditional license is sought. If two or more eligible applicants have the same number of points, those applicants shall be grouped together and, if there are more eligible applicants in this group than

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the remaining number of licenses available, the commission shall utilize a public lottery to determine which applicants receive a license or conditional license, as the case may be.

(2) In ranking applications, the commission shall give priority to the following:

(a) Applicants that are party to a collective bargaining agreement with a labor organization that currently represents, or is actively seeking to represent cannabis workers in New Jersey.

(b) Applicants that are party to a collective bargaining agreement with a labor organization that currently represents cannabis workers in another state.

(c) Applicants that submit an attestation affirming that they will use best efforts to utilize union labor in the construction or retrofit of the facilities associated with their cannabis business.

(d) Applicants who are a current resident of an impact zone or who present a plan to employ a select number of employees who reside in an impact zone pursuant to paragraph (2) of subsection e. of this section, regardless of where the cannabis establishment is, or is intended to be, located;

e. (1) The commission shall also prioritize applications on the basis of impact zones, for which past criminal marijuana enterprises contributed to higher concentrations of law enforcement activity, unemployment, and poverty within parts of or throughout these zones. An “impact zone” means any local governmental entity that:

(a) has a population of 120,000 or more according to the most recently compiled federal decennial census as of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill); or

(b) (i) ranks in the top 33 percent of local governmental entities in the State for marijuana- or hashish-related arrests for violation of paragraph (4) of subsection a. of N.J.S.2C:35-10 in the calendar year next preceding the effective date of P.L. , c. (C.) (pending before the Legislature as this bill);

(ii) has a crime index total of 1,000 or higher based upon the indexes listed in the most recently issued annual Uniform Crime Report by the Division of State Police as of that effective date; and

(iii) has a local governmental entity average annual unemployment rate that ranks in the top 15 percent of all local governmental entities in the State for the calendar year next preceding that effective date, 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.

(2) In ranking applications with respect to impact zones, the commission shall give priority to the following:

(a) An applicant who is a current resident of an impact zone and has resided therein for three or more consecutive years at the time of making the application. To the extent possible, at least 25 percent of the total licenses issued to applicants for a cannabis establishment license shall be awarded to applicants who have

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resided in an impact zone for three or more consecutive years at the time of making the application, regardless of where the cannabis establishment is, or is intended to be, located.

(b) An applicant who presents a plan, attested to, to employ 25 percent of employees who reside in an impact zone, of whom at least 25 percent shall reside in the impact zone nearest to the location, or intended location, of the cannabis establishment; failure to meet the requisite percentages of employees from an impact zone within 90 days of the opening of a licensed cannabis establishment shall result in the suspension or revocation of a license or conditional license, as applicable, issued based on an application with an impact zone employment plan.

f. (1) The commission shall ensure that at least 10 percent of the total licenses issued for each class of cannabis establishment are designated for and only issued to microbusinesses, and that at least 25 percent of the total licenses issued be issued to microbusinesses. The determination of the percentage for each class of license issued to microbusinesses shall include the number of conditional licenses issued to microbusinesses for each class, as the percentage of conditional licenses issued for each class pursuant to subparagraph (a) of paragraph (2) of subsection b. of this section shall not be mutually exclusive of the percentage of licenses issued to microbusinesses pursuant to this paragraph. The maximum fee assessed by the commission for issuance or renewal of a license designated and issued to a microbusiness shall be no more than half the fee applicable to a license of the same class issued to a person or entity that is not a microbusiness. A license designated and issued to a microbusiness shall be valid for one year and may be renewed annually.

(2) A microbusiness shall meet the following requirements:

(a) 100 percent of the ownership interest in the microbusiness shall be held by current New Jersey residents who have resided in the State for at least the past two consecutive years;

(b) at least 51 percent of the owners, directors, officers, or employees of the microbusiness shall be residents of the local governmental entity in which the microbusiness is located, or to be located, or a local governmental entity bordering the local governmental entity in which the microbusiness is located, or to be located;

(c) concerning business operations, and capacity and quantity restrictions:

(i) employ no more than 10 employees;

(ii) operate a cannabis establishment occupying an area of no more than 2,500 square feet, and in the case of a cannabis grower, grow cannabis on an area no more than 2,500 square feet measured on a horizontal plane and grow above that plane not higher than 24 feet;

(iii) possess no more than 1,000 cannabis plants each month;

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(iv) in the case of a cannabis processor, acquire and process no more than 1,000 pounds of cannabis in dried form each month;

(v) in the case of a cannabis wholesaler, acquire for resale no more than 1,000 pounds of cannabis in dried form, or the equivalent amount in any other form, or any combination thereof, each month; and

(vi) in the case of a cannabis retailer, acquire for retail sale no more than 1,000 pounds of cannabis in dried form, or the equivalent amount in any other form, or any combination thereof, each month.

(d) no owner, director, officer, or other person with a financial interest who also has decision making authority for the microbusiness shall hold any financial interest in any other licensed cannabis establishment, whether or not a microbusiness;

(e) no owner, director, officer, or employee of a licensed cannabis establishment that is not a microbusiness shall hold any significant beneficial interest in the microbusiness;

(f) the microbusiness shall not sell or transfer the license issued to it; and

(g) the microbusiness shall comply with such other requirements as may be established by the commission by regulation.¹

REPLACE SECTION 14 TO READ:

¹【14.】 21.¹ (New section) Class 1 ¹【Marijuana】 Cannabis¹ Grower license. A ¹【marijuana】 cannabis¹ grower shall have a Class 1 ¹【Marijuana】 Cannabis¹ Grower license issued by the ¹【division】 commission¹ for the premises at which the ¹【marijuana】 cannabis¹ is grown or cultivated. The ¹【division】 commission¹ shall determine the maximum number of licenses ¹, of which at least 35 percent shall be conditional licenses issued pursuant to subparagraph (a) of paragraph (2) of subsection b. of section 20 of P.L. , c. (C.) (pending before the Legislature as this bill), and at least 25 percent of the total number of licenses and conditional licenses shall be designated for and only issued to microbusinesses pursuant subsection f. of that section¹. Providing there exist qualified applicants, the ¹【division】 commission¹ shall issue a sufficient number of licenses ¹【, not to exceed a total of 25, including licenses issued to medical marijuana alternative treatment centers but of these 25 licenses, 15 licenses shall be reserved for medical marijuana alternative treatment centers】 to meet the market demands of the State, and may, as authorized by paragraph (1) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill), make requests for new applications for additional licenses as it deems necessary to meet those demands¹.

¹【A person who has been convicted of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or any other state shall not be issued a Class 1

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Marijuana Grower license, unless such conviction occurred after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) and was for a violation of federal law relating to possession or sale of marijuana for conduct that is authorized under P.L. , c. (C.) (pending before the Legislature as this bill).¹

a. To hold a Class 1 ¹**["Marijuana"] Cannabis¹** Grower license under this section, ¹**["a marijuana grower"] an applicant¹**:

(1) Shall apply for a license in the manner described in section ¹**["13"] 20¹** of P.L. , c. (C.) (pending before the Legislature as this bill);

(2) Shall ¹**have at least one significantly involved person who has resided in this State for at least two years as of the date of the application, and** provide proof that ¹**["an applicant"] this person and any other person with an investment interest who also has decision making authority for the cannabis grower¹** listed on an application submitted under section ¹**["13"] 20¹** of P.L. , c. (C.) (pending before the Legislature as this bill) ¹**["], has been a resident of this State for two or more years, and shall provide proof that the applicant"]¹** is 21 years of age or older;

(3) Shall meet the requirements of any rule or regulation adopted by the ¹**["division"] commission¹** under subsection b. of this section; and

(4) Shall ¹**provide for each of the following persons to¹** undergo a criminal history record background check: ¹**any owner, other than an owner who holds less than a five percent investment interest in the cannabis grower or who is a member of a group that holds less than a 20 percent investment interest in the cannabis grower and no member of that group holds more than a five percent interest in the total group investment, and who lacks the authority to make controlling decisions regarding the cannabis grower's operations; any director; any officer; and any employee.¹**

(a) Pursuant to this provision, the ¹**["director"] commission¹** is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the ¹**["director"] commission¹** in a timely manner when requested pursuant to the provisions of this section;

(b) ¹**["An applicant"] Each person¹** shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless ¹**["the applicant"] a person¹** has furnished his written consent to that check. ¹**["An applicant"] A person¹** who refuses to consent to,

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or cooperate in, the securing of a check of criminal history record background information shall ~~“[not be] prevent the application from being further”~~¹ considered for a grower’s license. ~~“[An applicant] Each person”~~¹ shall bear the cost for the criminal history record background check, including all costs of administering and processing the check;

(c) ~~“The director shall not approve an applicant for a Class 1 Marijuana Grower license if the criminal history record background information of the applicant reveals any disqualifying conviction”~~¹

(i) With respect to determining whether any conviction of a person contained in the criminal history record background check should disqualify an applicant for a Class 1 Cannabis Grower license, the commission shall not take into consideration any prior conviction involving a controlled dangerous substance or controlled substance analog as set forth in paragraph (11) or (12) of subsection b., or subparagraph (b) of paragraph (10) of subsection b. of N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, or any similar indictable offense under federal law, this State’s law, or any other state’s law. Additionally, the commission shall not take into consideration any other prior conviction, unless that conviction is for an indictable offense under federal law, other than a conviction for conduct involving cannabis or cannabis resin that is authorized by P.L. , c. (C.) (pending before the Legislature as this bill), or under this State’s law, or any other state’s law that is substantially related to the qualifications, functions, or duties for which the license is required, and not more than five years have passed since the date of that conviction. In determining which indictable offenses are substantially related to the qualifications, functions, or duties for which the license is required, the commission shall at least consider any conviction involving fraud, deceit, or embezzlement, and any conviction for N.J.S.2C:35-6, employing a minor in a drug distribution scheme, or similar indictable offense in this or another jurisdiction involving the use of a minor to dispense or distribute a controlled dangerous substance or controlled substance analog;

(ii) The commission may approve an applicant for a Class 1 Cannabis Grower license after conducting a thorough review of any previous conviction of a person that substantially related to the qualifications, functions, or duties for which the license is required that is contained in the criminal history record background information, and this review shall include examining the nature of the indictable offense, the circumstances at the time of committing the offense, and evidence of rehabilitation since conviction. If the commission determines that the reviewed conviction should not disqualify the applicant, the applicant may be approved so long as the applicant is otherwise qualified to be issued the license¹; and

(d) Upon receipt ~~“and review”~~¹ of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the ~~“[director] commission”~~¹ shall

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provide written notification to the applicant of ~~his~~ the qualification for or disqualification for a Class 1 ~~Marijuana~~ Cannabis Grower license.

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

(e) The Division of State Police shall promptly notify the ~~division~~ commission in the event that ~~an individual~~ a person who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the ~~director~~ commission shall make a determination regarding the ~~individual's~~ continued eligibility for the applicant, or following application, for the licensee, to hold a Class 1 ~~Marijuana~~ Cannabis Grower license.

b. The ~~division~~ commission shall adopt rules and regulations that:

(1) Require a ~~marijuana~~ cannabis grower to annually renew ~~a~~ the Class 1 Cannabis Grower license ~~issued under this section~~;

(2) Establish application, licensure, and renewal of licensure fees for ~~marijuana~~ cannabis growers in accordance with paragraph (2) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill);

(3) Require ~~marijuana~~ cannabis produced by ~~marijuana~~ cannabis growers to be tested in accordance with P.L. , c. (C.) (pending before the Legislature as this bill);

(4) Require ~~marijuana~~ cannabis growers to submit, at the time of applying for or renewing a license under P.L. , c. (C.) (pending before the Legislature as this bill), a report describing the applicant's or licensee's electrical and water usage; and

(5) Require a ~~marijuana~~ cannabis grower to meet any public health and safety standards, industry best practices, and all applicable regulations established by the ~~division~~ commission by rule or regulation related to the production of ~~marijuana~~ cannabis or the propagation of immature ~~marijuana~~ cannabis plants and the seeds of the plant Genus Cannabis L. within the plant family Cannabaceae. The ~~division~~ commission may ~~not limit~~ regulate the number of immature ~~marijuana~~ cannabis plants that may be possessed by a ~~marijuana~~ cannabis grower licensed under this section; the size of the grow canopy a ~~marijuana~~ cannabis grower licensed under this section uses to grow immature ~~marijuana~~ cannabis plants; ~~or~~ and the

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weight or size of shipments of immature ¹**[marijuana] cannabis¹** plants made by a ¹**[marijuana] cannabis¹** grower licensed under this section.

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

(1) Shall be in the form of a schedule that imposes a greater fee for premises with more square footage or on which more mature ¹**[marijuana] cannabis¹** plants are grown; and

(2) Shall be deposited in the “¹**[Marijuana Control and Regulation] Cannabis Regulatory and Expungement Aid Modernization¹** Fund” established under section ¹**[39] 70¹** of P.L. , c. (C.) (pending before the Legislature as this bill).

d. ¹**(1)¹** The ¹**[director] commission¹** shall issue ¹**or deny issuance of¹** a Class 1 ¹**[Marijuana] Cannabis¹** Grower license ¹**[if he finds that issuing such a license would be consistent with the purposes of P.L. , c. (C.) (pending before the Legislature as this bill), the requirements of this section are met, and the information contained in the application has been verified. The director shall approve or deny an application within 60 days after receipt of a completed application. The denial of an application shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court.] or conditional license in accordance with the procedures set forth in section 20 of P.L. , c. (C.) (pending before the Legislature as this bill).**

¹**(2)¹** The ¹**[director] commission¹** may suspend or revoke a Class 1 ¹**[Marijuana] Cannabis¹** Grower license ¹**or conditional license¹** to operate as a ¹**[Marijuana Cultivation Facility] cannabis cultivation facility¹** for cause, which shall be ¹**[subject to review by the Appellate Division of the Superior Court] considered a final agency action for the purposes of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial review as provided in the Rules of Court¹.**

e. A person who has been issued a license ¹**[pursuant to this section] or conditional license¹** shall display the license ¹**or conditional license¹** at the premises at all times when ¹**[marijuana] cannabis¹** is being produced.

f. ¹**[A] As required by the commission in regulation, a licensee or conditional licensee¹** shall report ¹**[any change] required changes¹** in information ¹**about the licensee¹** to the ¹**[director not later than 10 days after such change, or the license shall be deemed null and void] commission within the time specified by the commission¹.**

REPLACE SECTION 15 TO READ:

¹**[15.] 22.¹** (New section) ¹**Grow Canopies for Licensed Cannabis Growers.¹** a. Subject to subsection b. of this section, the ¹**[division] commission¹** shall adopt rules or regulations restricting

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the size of mature ¹**[marijuana] cannabis¹** plant grow canopies at premises for which a license has been issued ¹**[under] to a cannabis grower pursuant to¹** P.L. , c. (C.) (pending before the Legislature as this bill).

b. ¹**[In] When¹** adopting rules ¹**and regulations¹** under this subsection, the ¹**[division] commission¹** shall ¹**consider whether to¹**:

(1) Limit the size of mature ¹**[marijuana] cannabis¹** plant grow canopies for premises where ¹**[marijuana] cannabis¹** is grown outdoors and for premises where ¹**[marijuana] cannabis¹** is grown indoors in a manner calculated to result in premises that produce the same amount of harvested ¹**[marijuana] cannabis¹** leaves and harvested ¹**[marijuana] cannabis¹** flowers, regardless of whether the ¹**[marijuana] cannabis¹** is grown outdoors or indoors;

(2) Adopt a tiered system under which the permitted size of a ¹**[marijuana] cannabis¹** growers' mature ¹**[marijuana] cannabis¹** plant grow canopy increases at the time of licensure renewal, except that the permitted size of a ¹**[marijuana] cannabis¹** growers' mature ¹**[marijuana] cannabis¹** plant grow canopy may not increase following any year during which the ¹**[division] commission¹** disciplined the ¹**[marijuana] cannabis¹** growers for violating a provision of or a rule adopted under a provision of P.L. , c. (C.) (pending before the Legislature as this bill); provided, that at the time of adoption, any growing or cultivation square footage previously approved or authorized for an alternative treatment center that was issued a permit prior to the effective date of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), or that was issued a permit on or after that effective date pursuant to an application submitted prior to that effective date, shall not be reduced, but the commission's adopted tier system shall apply to the growing or cultivation square footage of that alternative treatment center thereafter;¹ and

(3) Take into consideration the market demand for ¹**[marijuana] cannabis¹** items in this State, the number of persons applying for a license ¹**[under] pursuant to sections 21, 23, 24, and 25 of¹** P.L. , c. (C.) (pending before the Legislature as this bill), and to whom a license has been issued ¹**[under] P.L. , c. (C.) (pending before the Legislature as this bill)] pursuant to those sections¹**, and whether the availability of ¹**[marijuana] cannabis¹** items in this State is commensurate with the market demand.

c. This section shall not apply to premises for which a license has been issued ¹**[under] to a cannabis grower pursuant to section 21 of¹** P.L. , c. (C.) (pending before the Legislature as this bill), if the premises is used only to propagate immature ¹**[marijuana] cannabis¹** plants.

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(3) Shall meet the requirements of any rule or regulation adopted by the **1[division] commission¹** under subsection b. of this section; and

(4) Shall **1provide for each of the following persons to¹** undergo a criminal history record background check: **1any owner, other than an owner who holds less than a five percent investment interest in the cannabis processor or who is a member of a group that holds less than a 20 percent investment interest in the cannabis processor and no member of that group holds more than a five percent interest in the total group investment, and who lacks the authority to make controlling decisions regarding the cannabis processor's operations; any director; any officer; and any employee.¹**

(a) Pursuant to this provision, the **1[Director] commission¹** is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the **1[director] commission¹** in a timely manner when requested pursuant to the provisions of this section;

(b) **1[An applicant] Each person¹** shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless **1[the applicant] a person¹** has furnished his written consent to that check. **1[An applicant] A person¹** who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall **1[not be] prevent the application from being further¹** considered for a processor license. **1[An applicant] Each person¹** shall bear the cost for the criminal history record background check, including all costs of administering and processing the check;

(c) **1[The director shall not approve an applicant for a Class 2 Marijuana Processor license if the criminal history record background information of the applicant reveals any disqualifying conviction]**

(i) **1With respect to determining whether any conviction of a person contained in the criminal history record background check should disqualify an applicant for a Class 2 Cannabis Processor license, the commission shall not take into consideration any prior conviction involving a controlled dangerous substance or controlled substance analog as set forth in paragraph (11) or (12) of subsection b., or subparagraph (b) of paragraph (10) of subsection b. of N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, or any similar indictable offense under federal law, this State's law, or any other state's law. Additionally, the commission shall not take into consideration any other prior conviction, unless that conviction is for**

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an indictable offense under federal law, other than a conviction for conduct involving cannabis or cannabis resin that is authorized by P.L. , c. (C.) (pending before the Legislature as this bill), or under this State's law, or any other state's law that is substantially related to the qualifications, functions, or duties for which the license is required, and not more than five years have passed since the date of that conviction. In determining which indictable offenses are substantially related to the qualifications, functions, or duties for which the license is required, the commission shall at least consider any conviction involving fraud, deceit, or embezzlement, and any conviction for N.J.S.2C:35-6, employing a minor in a drug distribution scheme, or similar indictable offense in this or another jurisdiction involving the use of a minor to dispense or distribute a controlled dangerous substance or controlled substance analog;

(ii) The commission may approve an applicant for a Class 2 Cannabis Processor license after conducting a thorough review of any previous conviction of a person that substantially related to the qualifications, functions, or duties for which the license is required that is contained in the criminal history record background information, and this review shall include examining the nature of the indictable offense, the circumstances at the time of committing the offense, and evidence of rehabilitation since conviction. If the commission determines that the reviewed conviction should not disqualify the applicant, the applicant may be approved so long as the applicant is otherwise qualified to be issued the license¹; and

(d) Upon receipt and review¹ of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the ¹**【director】** commission¹ shall provide written notification to the applicant of ¹**【his】** the¹ qualification for or disqualification for a Class 2 ¹**【Marijuana】** Cannabis¹ Processor license.

If the applicant is disqualified because ¹**【of】** the commission determined that a person has¹ a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

(e) The Division of State Police shall promptly notify the ¹**【director】** commission¹ in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the ¹**【director】** commission¹ shall make a determination regarding the continued eligibility ¹for the applicant, or following application, for the licensee,¹ to hold a Class 2 ¹**【marijuana】** Cannabis¹ Processor license.

b. The ¹**【division】** commission¹ shall adopt rules that:

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(1) Require a **1**[**marijuana**] **cannabis**¹ processor to annually renew **1**[**a**] **the Class 2 Cannabis Processor**¹ license **1**[**issued under this section**]¹;

(2) Establish application, licensure, and renewal of licensure fees for **1**[**marijuana**] **cannabis**¹ processors **1**in accordance with paragraph (2) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill)¹;

(3) Require **1**[**marijuana**] **cannabis**¹ produced by **1**[**marijuana**] **cannabis**¹ processors to be tested in accordance with P.L. , c. (C.) (pending before the Legislature as this bill); **1**and¹

(4) **1**[**Require marijuana processors to submit, at the time of applying for or renewing a license under P.L. , c. (C.) (pending before the Legislature as this bill) a report describing the applicant's or licensee's electrical and water usage;**

(5)¹ Require a **1**[**marijuana**] **cannabis**¹ processor to meet any public health and safety standards, industry best practices, and all applicable regulations established by the **1**[**division**] **commission**¹ by rule or regulation related to the processing of **1**[**marijuana**] **cannabis**¹.

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

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

(2) Shall be deposited in the **1**[**Marijuana Control and Regulation**] **Cannabis Regulatory and Expungement Aid Modernization**¹ Fund” established under section **1**[**39**] **70**¹ of P.L. , c. (C.) (pending before the Legislature as this bill).

d. **1**(**1**)¹ The **1**[**director**] **commission**¹ shall issue **1**or deny issuance of¹ a Class 2 **1**[**Marijuana**] **Cannabis**¹ Processor license **1**[**if he finds that issuing such a license would be consistent with the purposes of P.L. , c. (C.) (pending before the Legislature as this bill) and the requirements of this section are met and the information contained in the application has been verified. The director shall approve or deny an application within 60 days after receipt of a completed application. The denial of an application shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court.**] **1**or conditional license in accordance with the procedures set forth in section 20 of P.L. , c. (C.) (pending before the Legislature as this bill).

(**2**)¹ The **1**[**director**] **commission**¹ may suspend or revoke a **1**Class 2 Cannabis Processor¹ license **1**or conditional license¹ to operate as a **1**[**marijuana**] **cannabis**¹ production facility for cause, which shall be **1**[**subject to review by the Appellate Division of the Superior Court**] **1**considered a final agency action for the purposes of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial review as provided in the Rules of Court¹.

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e. A person who has been issued a license ¹~~["pursuant to this section]~~ or conditional license¹ shall display the license ¹~~or conditional license~~¹ at the premises at all times when ¹~~["marijuana cannabis"]~~ is being processed.

f. ¹~~["A"]~~ As required by the commission in regulation, a¹ licensee ¹~~or conditional licensee~~¹ shall report ¹~~["any change required changes"]~~ in information ¹~~about the licensee~~¹ to the ¹~~["director not later than 10 days after such change, or the license shall be deemed null and void"]~~ commission within the time specified by the commission¹.

REPLACE SECTION 17 TO READ:

¹~~["17."]~~ 24.¹ (New section) Class 3 ¹~~["Marijuana"]~~ Cannabis¹ Wholesaler license. A ¹~~["marijuana"]~~ cannabis¹ wholesaler shall have a Class 3 ¹~~["Marijuana"]~~ Cannabis¹ Wholesaler license issued by the ¹~~["division"]~~ commission¹ for the premises at which the ¹~~["marijuana"]~~ cannabis¹ is warehoused. The ¹~~["division"]~~ commission¹ shall determine the maximum number of licenses ¹~~["but, providing"]~~ , of which at least 35 percent shall be conditional licenses issued pursuant to subparagraph (a) of paragraph (2) of subsection b. of section 20 of P.L. , c. (C.) (pending before the Legislature as this bill), and at least 25 percent of the total number of licenses and conditional licenses shall be designated for and only issued to microbusinesses pursuant subsection f. of that section. Providing¹ there exist qualified applicants, ¹~~["the commission"]~~ shall issue a sufficient number of licenses to meet the ¹~~["wholesaler"]~~ market¹ demands ¹~~["that implementation of this act requires"]~~ of the State, and may, as authorized by paragraph (1) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill), make requests for new applications for additional licenses as it deems necessary to meet those demands¹.

¹~~["A person who has been convicted of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or any other state shall not be issued a Class 3 Marijuana Wholesaler license, unless such conviction occurred after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) and was for a violation of federal law relating to possession or sale of marijuana for conduct that is authorized under P.L. , c. (C.) (pending before the Legislature as this bill)."]~~¹

a. To hold a Class 3 ¹~~["Marijuana"]~~ Cannabis¹ Wholesaler license under this section, ¹~~["a marijuana wholesaler"]~~ an applicant¹:

(1) Shall apply for a license in the manner described in section ¹~~["13"]~~ 20¹ of P.L. , c. (C.) (pending before the Legislature as this bill);

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(2) Shall have at least one significantly involved person who has resided in this State for at least two years as of the date of the application, and¹ provide proof that ¹**【an applicant】** this person and any other person with an investment interest who also has decision making authority for the cannabis wholesaler¹ listed on an application submitted under section ¹**【13】 20**¹ of P.L. , c. (C.) (pending before the Legislature as this bill) ¹**【,** has been a resident of this State for two or more years, and shall provide proof that the applicant¹ is 21 years of age or older;

(3) Shall meet the requirements of any rule or regulation adopted by the ¹**【division】 commission**¹ under subsection b. of this section; and

(4) Shall provide for each of the following persons to¹ undergo a criminal history record background check: any owner, other than an owner who holds less than a five percent investment interest in the cannabis wholesaler or who is a member of a group that holds less than a 20 percent investment interest in the cannabis wholesaler and no member of that group holds more than a five percent interest in the total group investment, and who lacks the authority to make controlling decisions regarding the cannabis wholesaler's operations; any director; any officer; and any employee.¹

(a) Pursuant to this provision, the ¹**【director】 commission**¹ is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the ¹**【director】 commission**¹ in a timely manner when requested pursuant to the provisions of this section;

(b) ¹**【An applicant】** Each person¹ shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless ¹**【the applicant】** a person¹ has furnished his written consent to that check. ¹**【An applicant】** A person¹ who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall ¹**【not be】** prevent the application from being further¹ considered for a wholesaler's license. ¹**【An applicant】** Each person¹ shall bear the cost for the criminal history record background check, including all costs of administering and processing the check;

(c) ¹**【The director shall not approve an applicant for a Class 3 Marijuana Wholesaler license if the criminal history record background information of the applicant reveals any disqualifying conviction】**

(i) With respect to determining whether any conviction of a person contained in the criminal history record background check should disqualify an applicant for a Class 3 Cannabis Wholesaler license, the commission shall not take into consideration any prior conviction involving a controlled dangerous substance or controlled substance analog as set forth in paragraph (11) or (12) of subsection b., or subparagraph (b) of paragraph (10) of subsection b. of N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, or any similar indictable offense under federal law, this State's law, or any other state's law. Additionally, the commission shall not take into consideration any other prior conviction, unless that conviction is for an indictable offense under federal law, other than a conviction for conduct involving cannabis or cannabis resin that is authorized by P.L. , c. (C.) (pending before the Legislature as this bill), or under this State's law, or any other state's law that is substantially related to the qualifications, functions, or duties for which the license is required, and not more than five years have passed since the date of that conviction. In determining which indictable offenses are substantially related to the qualifications, functions, or duties for which the license is required, the commission shall at least consider any conviction involving fraud, deceit, or embezzlement, and any conviction for N.J.S.2C:35-6, employing a minor in a drug distribution scheme, or similar indictable offense in this or another jurisdiction involving the use of a minor to dispense or distribute a controlled dangerous substance or controlled substance analog;

(ii) The commission may approve an applicant for a Class 3 Cannabis Wholesaler license after conducting a thorough review of any previous conviction of a person that substantially related to the qualifications, functions, or duties for which the license is required that is contained in the criminal history record background information, and this review shall include examining the nature of the indictable offense, the circumstances at the time of committing the offense, and evidence of rehabilitation since conviction. If the commission determines that the reviewed conviction should not disqualify the applicant, the applicant may be approved so long as the applicant is otherwise qualified to be issued the license¹; and

(d) Upon receipt ¹and review¹ of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the ¹**[director]** commission¹ shall provide written notification to the applicant of ¹**[his]** the¹ qualification for or disqualification for a Class 3 ¹**[Marijuana]** Cannabis¹ Wholesaler license.

If the applicant is disqualified because ¹**[of]** the commission determined that a person has¹ a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

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(e) The Division of State Police shall promptly notify the ~~1~~**[director] commission**¹ in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the ~~1~~**[Director] commission**¹ shall make a determination regarding the continued eligibility ~~1~~**for the applicant, or following application, for the licensee**¹ to hold a ~~1~~**[Marijuana] Class 3 Cannabis**¹ Wholesaler license.

b. The ~~1~~**[division] commission**¹ shall adopt rules that:

(1) Require a ~~1~~**[marijuana] cannabis**¹ wholesaler to annually renew ~~1~~**[a] the Class 3 Cannabis Wholesaler**¹ license ~~1~~**[issued under this section]**¹;

(2) Establish application, licensure, and renewal of licensure fees for ~~1~~**[marijuana] cannabis**¹ wholesalers ~~1~~**in accordance with paragraph (2) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill)**¹;

(3) Require ~~1~~**[marijuana] cannabis**¹ warehoused by ~~1~~**[marijuana] cannabis**¹ wholesalers to be tested in accordance with P.L. , c. (C.) (pending before the Legislature as this bill); ~~1~~**and**¹

(4) ~~1~~**[Require marijuana wholesalers to submit, at the time of applying for or renewing a license under section 13 of P.L. , c. (C.) (pending before the Legislature as this bill), a report describing the applicant's or licensee's electrical and water usage; and**

(5)¹ Require a ~~1~~**[marijuana] cannabis**¹ wholesaler to meet any public health and safety standards, industry best practices, and all applicable regulations established by the ~~1~~**[division] commission**¹ by rule or regulation related to the warehousing of ~~1~~**[marijuana] cannabis**¹.

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

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

(2) Shall be deposited in the ~~1~~**“[Marijuana Control and Regulation] Cannabis Regulatory and Expungement Aid Modernization**¹ Fund” established under section ~~1~~**[39] 70**¹ of P.L. , c. (C.) (pending before the Legislature as this bill).

d. ~~1~~**(1)**¹ The ~~1~~**[director] commission**¹ shall issue ~~1~~**or deny issuance of**¹ a Class 3 ~~1~~**[Marijuana] Cannabis**¹ Wholesaler license ~~1~~**[if he finds that issuing such a license would be consistent with the purposes of this act and the requirements of this section are met and the information contained in the application has been verified. The director shall approve or deny an application within 60 days after receipt of a completed application. The denial of an application shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court.] or conditional license in**

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accordance with the procedures set forth in section 20 of P.L. , c. (C.) (pending before the Legislature as this bill).

(2)¹ The **1** ["director"] commission¹ may suspend or revoke a Class 3 **1** ["Marijuana"] Cannabis¹ Wholesaler license ¹ or conditional license to operate as a cannabis wholesaler¹ for cause, which shall be **1** ["subject to review by the Appellate Division of the Superior Court"] considered a final agency action for the purposes of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial review as provided in the Rules of Court¹.

e. A person who has been issued a license **1** ["pursuant to this section"] or conditional license¹ shall display the license ¹ or conditional license¹ at the premises at all times when **1** ["marijuana"] cannabis¹ is being warehoused.

f. **1** ["A"] As required by the commission in regulation, a¹ licensee ¹ or conditional licensee¹ shall report **1** ["any change"] required changes¹ in information ¹ about the licensee¹ to the **1** ["director not later than 10 days after such change, or the license shall be deemed null and void"] commission within the time specified by the commission¹.

REPLACE SECTION 18 TO READ:

1 ["18.] 25.¹ (New section) Class 4 **1** ["Marijuana"] Cannabis¹ Retailer license. A **1** ["marijuana"] cannabis¹ retailer shall have a Class 4 **1** ["Marijuana"] Cannabis¹ Retailer license issued by the **1** ["division"] commission¹ for the premises at which the **1** ["marijuana"] cannabis¹ is retailed. The **1** ["division"] commission¹ shall determine the maximum number of licenses **1** ["but, providing"] , of which at least 35 percent shall be conditional licenses issued pursuant to subparagraph (a) of paragraph (2) of subsection b. of section 20 of P.L. , c. (C.) (pending before the Legislature as this bill), and at least 25 percent of the total number of licenses and conditional licenses shall be designated for and only issued to microbusinesses pursuant subsection f. of that section. Providing¹ there exist qualified applicants, ¹ the commission¹ shall issue a sufficient number of licenses to meet the **1** ["wholesaler"] market¹ demands **1** ["that implementation of this act requires"] of the State, and may, as authorized by paragraph (1) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill), make requests for new applications for additional licenses as it deems necessary to meet those demands¹.

1 ["A person who has been convicted of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or any other state shall not be issued a Class 4

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Marijuana Retailer license, unless such conviction occurred after the effective date of this act and was for a violation of federal law relating to possession or sale of marijuana for conduct that is authorized under P.L. , c. (C.) (pending before the Legislature as this bill).¹

a. To hold a Class 4 ¹["**Marijuana**"] Cannabis¹ Retailer license under this section, a ¹["**marijuana**"] cannabis¹ retailer:

(1) Shall apply for a license in the manner described in section ¹["**13**"] 20¹ of P.L. , c. (C.) (pending before the Legislature as this bill);

(2) Shall have at least one significantly involved person who has resided in this State for at least two years as of the date of the application, and¹ provide proof that ¹["**an applicant**"] this person and any other person with an investment interest who also has decision making authority for the cannabis retailer¹ listed on an application submitted under section ¹["**13**"] 20¹ of P.L. , c. (C.) (pending before the Legislature as this bill) ¹["**,**"], has been a resident of this State for two or more years, and shall provide proof that the applicant¹ is 21 years of age or older;

(3) Shall meet the requirements of any rule adopted by the ¹["**Division**"] commission¹ under subsection b. of this section; and

(4) Shall provide for each of the following persons to¹ undergo a criminal history record background check: any owner, other than an owner who holds less than a five percent investment interest in the cannabis retailer or who is a member of a group that holds less than a 20 percent investment interest in the cannabis retailer and no member of that group holds more than a five percent interest in the total group investment, and who lacks the authority to make controlling decisions regarding the cannabis retailer's operations; any director; any officer; and any employee.¹

(a) Pursuant to this provision, the ¹["**director**"] commission¹ is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the ¹["**director**"] commission¹ in a timely manner when requested pursuant to the provisions of this section;

(b) ¹["**An applicant**"] Each person¹ shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless ¹["**the applicant**"] a person¹ has furnished his written consent to that check. ¹["**An applicant**"] A person¹ who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall ¹["**not be**"] prevent the application

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from being further¹ considered for a retailer's license. ¹**[An applicant]** Each person¹ shall bear the cost for the criminal history record background check, including all costs of administering and processing the check;

(c) ¹**[The director shall not approve an applicant for a Class 4 Marijuana Retailer license if the criminal history record background information of the applicant reveals any disqualifying conviction]**

(i) With respect to determining whether any conviction of a person contained in the criminal history record background check should disqualify an applicant for a Class 4 Cannabis Processor license, the commission shall not take into consideration any prior conviction involving a controlled dangerous substance or controlled substance analog as set forth in paragraph (11) or (12) of subsection b., or subparagraph (b) of paragraph (10) of subsection b. of N.J.S.2C:35-5, or paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, or any similar indictable offense under federal law, this State's law, or any other state's law. Additionally, the commission shall not take into consideration any other prior conviction, unless that conviction is for an indictable offense under federal law, other than a conviction for conduct involving cannabis or cannabis resin that is authorized by P.L. , c. (C.) (pending before the Legislature as this bill), or under this State's law, or any other state's law that is substantially related to the qualifications, functions, or duties for which the license is required, and not more than five years have passed since the date of that conviction. In determining which indictable offenses are substantially related to the qualifications, functions, or duties for which the license is required, the commission shall at least consider any conviction involving fraud, deceit, or embezzlement, and any conviction for N.J.S.2C:35-6, employing a minor in a drug distribution scheme, or similar indictable offense in this or another jurisdiction involving the use of a minor to dispense or distribute a controlled dangerous substance or controlled substance analog;

(ii) The commission may approve an applicant for a Class 4 Cannabis Retailer license after conducting a thorough review of any previous conviction of a person that substantially related to the qualifications, functions, or duties for which the license is required that is contained in the criminal history record background information, and this review shall include examining the nature of the indictable offense, the circumstances at the time of committing the offense, and evidence of rehabilitation since conviction. If the commission determines that the reviewed conviction should not disqualify the applicant, the applicant may be approved so long as the applicant is otherwise qualified to be issued the license¹; and

(d) Upon receipt ¹and review¹ of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the ¹**[director]** commission¹ shall provide written notification to the applicant of ¹**[his]** the¹

qualification for or disqualification for a Class 4 ~~1~~ **1** **["Marijuana"] Cannabis** ¹ Retailer license.

If the applicant is disqualified because ~~1~~ **1** **["of"] the commission** ¹ **determined that a person has** ¹ a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

(e) The Division of State Police shall promptly notify the ~~1~~ **1** **["director"] commission** ¹ in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the ~~1~~ **1** **["director"] commission** ¹ shall make a determination regarding the continued eligibility ~~1~~ **1** **for the applicant, or following application, for the licensee,** ¹ to hold a Class 4 ~~1~~ **1** **["Marijuana"] Cannabis** ¹ Retailer license.

b. The ~~1~~ **1** **["division"] commission** ¹ shall adopt rules that:

(1) Require a ~~1~~ **1** **["marijuana"] cannabis** ¹ retailer to annually renew ~~1~~ **1** **["a] the Class 4 Cannabis Retailer** ¹ license ~~1~~ **1** **["issued under this section"]** ¹;

(2) Establish application, licensure, and renewal of licensure fees for a ~~1~~ **1** **["marijuana"] cannabis** ¹ retailer ~~1~~ **1** **in accordance with paragraph (2) of subsection a. of section 16 of P.L. , c. (C.) (pending before the Legislature as this bill)** ¹;

(3) Require ~~1~~ **1** **["marijuana"] cannabis** ¹ sold by a ~~1~~ **1** **["marijuana"] cannabis** ¹ retailer to be tested in accordance with P.L. , c. (C.) (pending before the Legislature as this bill); ~~1~~ **1** **and** ¹

(4) ~~1~~ **1** **["Require a marijuana retailer to submit, at the time of applying for or renewing a license under P.L. , c. (C.) (pending before the Legislature as this bill), a report describing the applicant's or licensee's electrical and water usage;** ¹

(5) ~~1~~ **1** **["Require a marijuana cannabis retailer to meet any public health and safety standards, industry best practices, and all applicable regulations established by the ["division] commission by rule related to the sale of ["marijuana] cannabis"]** ¹.

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

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

(2) Shall be deposited in the ~~1~~ **1** **["Marijuana Control and Regulation] Cannabis Regulatory and Expungement Aid Modernization** ¹ Fund" established under section ~~1~~ **1** **["39] 70** ¹ of P.L. , c. (C.) (pending before the Legislature as this bill).

d. ~~1~~ **1** **["(1)"]** ¹ The ~~1~~ **1** **["director"] commission** ¹ shall issue ~~1~~ **1** **or deny issuance of** ¹ a Class 4 ~~1~~ **1** **["Marijuana"] Cannabis** ¹ Retailer license ~~1~~ **1** **["if he finds that issuing such a license would be consistent with the purposes of this act and the requirements of this section are met and the information contained in the application has been verified. The** ¹

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director shall approve or deny an application within 60 days after receipt of a completed application. The denial of an application shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court.] or conditional license in accordance with the procedures set forth in section 20 of P.L. , c. (C.) (pending before the Legislature as this bill).

(2)¹ The ¹[**director**] commission¹ may suspend or revoke a Class 4 ¹[**Marijuana**] Cannabis¹ Retailer license ¹or conditional license to operate as a cannabis retailer¹ for cause, which shall be ¹[**subject to review by the Appellate Division of the Superior Court**] considered a final agency action for the purposes of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial review as provided in the Rules of Court¹.

e. A person who has been issued a license ¹[**pursuant to this section**] or conditional license¹ shall display the license ¹or conditional license¹ at the premises at all times when ¹[**marijuana**] cannabis¹ is being ¹[**warehoused**] retailed¹.

f. ¹[**A**] As required by the commission in regulation, a¹ licensee¹ or conditional licensee¹ shall report¹ [any change] required changes¹ in information¹ about the licensee¹ to the¹ [director not later than 10 days after such change, or the license shall be deemed null and void] commission within the time specified by the commission¹.

g. ¹[(1)]¹ Subject to receiving an endorsement pursuant to section ¹[**42**] 71¹ of P.L. , c. (C.) (pending before the Legislature as this bill) ¹[, a]:

(1) A¹ licensed¹ [marijuana] cannabis¹ retailer may operate a¹ [retail marijuana] cannabis¹ consumption area¹ [to sell retail marijuana, retail marijuana concentrate, and retail¹ marijuana products for] at which the¹ on-premises consumption¹ [, other than smoking, on the premises]¹ of cannabis items either obtained from¹ the¹ [establishment] retailer, or brought by a person to the consumption area, may occur¹.

(2) Each licensed ¹[**marijuana**] cannabis¹ retailer may operate only one ¹[**retail marijuana**] cannabis¹ consumption area.

(3) The ¹[**retail marijuana**] cannabis¹ consumption area shall be ¹[**physically**] either (a) an indoor, structurally enclosed area of the licensed cannabis retailer that is¹ separate from the¹ [marijuana] area in which¹ retail¹ [premises and shall be located in the same local jurisdiction as the marijuana retail establishment] sales of cannabis items occur or (b) an exterior structure on the same premises as the retailer, either separate from or connected to the retailer¹ .

(4) A Class 4 ¹[**Marijuana**] Cannabis¹ Retailer ¹[**license**] licensee¹ that has been approved for a ¹[**retail marijuana**] cannabis¹ consumption area endorsement may transfer [its retail marijuana,

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retail marijuana concentrate, and retail marijuana products] cannabis items purchased by a person in its retail establishment to the person in its retail marijuana cannabis consumption area. The Class 4 Marijuana Cannabis Retailer licensee shall package and label individually retail marijuana, retail marijuana concentrate, and retail marijuana product in quantities not to transfer to the consumption area an amount of cannabis items that exceed the limits established by the director commission.

REPLACE SECTION 19 TO READ:

19. 26. (New section) Marijuana Cannabis Handlers. a. An individual who performs work for or on behalf of a person who holds a license under classified pursuant to section 21, 23, 24, or 25 of P.L. , c. (C.) (pending before the Legislature as this bill) shall have a valid permit certification issued by the division commission under this section if the individual participates in:

- (1) the possession, securing, or selling of marijuana cannabis items at the premises for which the license has been issued; or
- (2) the recording of the possession, securing, or selling of marijuana cannabis items at the premises for which the license has been issued ; or
- (3) the delivery of cannabis items.

b. A person who holds a license under classified pursuant to section 21, 23, 24, or 25 of P.L. , c. (C.) (pending before the Legislature as this bill) shall verify that an individual has a valid permit certification issued under this section before allowing the individual to perform any work described in subsection a. of this section at the premises for which the license has been issued.

c. The division commission shall issue permits certifications to qualified applicants to perform work described in this section. The division commission shall adopt rules and regulations establishing: the qualifications for performing work described in this section; the terms of a permit certification issued under this section; procedures for applying for and renewing a permit certification issued under this section; and reasonable application, issuance, and renewal fees for a permit certification issued under this section.

d. The division commission may require an individual applying for a permit certification under this section to successfully complete a course, made available by or through the division commission, in which the individual receives training on: checking identification; detecting intoxication; handling marijuana cannabis items; statutory and regulatory provisions relating to marijuana cannabis; and any matter deemed

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necessary by the ¹['division] commission¹ to protect the public health and safety. The ¹['division] commission¹ or other provider may charge a reasonable fee for the course.

The ¹['division may] commission shall¹ not require an individual to successfully complete the course more than once, except that the ¹['division] commission¹ may adopt regulations directing continuing education training on a prescribed schedule.

As part of a final order suspending a ¹['permit] certification¹ issued under this section, the ¹['division] commission¹ may require a ¹['permit'] holder ¹of a certification¹ to successfully complete the course as a condition of lifting the suspension and as part of a final order revoking a ¹['permit] certification¹ issued under this section, the ¹['division] commission¹ shall require an individual to successfully complete the course prior to applying for a new ¹['permit] certification¹.

e. ¹['The division shall conduct a criminal history record background check on an] (1) Each¹ individual applying for a ¹['permit] certification¹ under this section ¹shall undergo a criminal history record background check. The commission is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the commission in a timely manner when requested pursuant to the provisions of this subsection.

(2) Each individual shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this subsection unless the individual has furnished written consent to that check. Any individual who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall prevent the application from being further considered for a certification. Each individual shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

(3) Upon receipt and review of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the commission shall provide written notification to the individual of the qualification for or disqualification for a certification. If the individual is disqualified because of a disqualifying conviction as set forth in subsection f. of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

(4) The Division of State Police shall promptly notify the commission in the event that an individual who was the subject of a criminal history record background check conducted pursuant to

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this subsection is convicted of a crime in this State after the date the background check was performed. Upon receipt of that notification, the commission shall make a determination regarding the continued eligibility to hold a certification¹.

f. The ¹**["division] commission¹** may suspend, revoke, or refuse to issue or renew a ¹**["permit] certification¹** if the individual who is applying for or who holds the ¹**["permit] certification¹**: violates any provision of P.L. , c. (C.) (pending before the Legislature as this bill) or any rule or regulation adopted under P.L. , c. (C.) (pending before the Legislature as this bill); makes a false statement to the ¹**["division] commission¹**; refuses to cooperate in any investigation by the ¹**["division] commission¹**; or if the individual is convicted of a crime ¹**in this State, another State, or under federal law¹**, except that the ¹**["division] commission¹** may not consider a conviction for the manufacture or delivery of marijuana if the date of the conviction is two or more years before the date of the application or renewal **[";] ,¹** or if the date of ¹**["the last] any other¹** criminal conviction is more than 10 years before the date of the application or renewal.

g. A ¹**["permit] certification¹** issued under this section is a personal privilege and permits work described under this section only for the individual who holds the ¹**["permit] certification¹**.

¹**h. In addition to the requirements for regulations set forth in paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill) the commission shall enact regulations to allow for a cannabis retailer to engage in delivery of cannabis items by a certified cannabis handler performing work for or on behalf of a cannabis retailer, and which regulations shall include, but not be limited to, the following requirements:**

(1) A cannabis retailer may only deliver cannabis items to a physical address in New Jersey.

(2) Deliveries shall be made only to a legal consumer by a certified cannabis handler who is an employee of a cannabis retailer or an approved contractor vender for a cannabis retailer.

(3) A cannabis retailer shall not deliver to an address located on land owned by the federal government or any address on land or in a building leased by the federal government.

(4) A cannabis retailer shall staff each delivery vehicle with a certified cannabis handler who is an employee of the cannabis retailer who shall be at least 18 years of age, or use an approved contract vendor whose delivery employees shall be at least 18 years of age.

(5) All deliveries of cannabis items shall be made in person. A delivery of cannabis items shall not be made through the use of an unmanned vehicle.

(6) Each certified cannabis handler shall carry a copy of the cannabis employee or contract vendor identification card. The cannabis handler shall present the identification card upon request

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to State and local law enforcement, and State and local regulatory authorities and agencies.

(7) Each certified cannabis handler shall have access to a secure form of communication with the cannabis retailer, such as a cellular telephone, at all times that a delivery vehicle contains cannabis items.

(8) During delivery, the certified cannabis handler shall maintain a physical or electronic copy of the delivery request and shall make it available upon request of the upon request to State and local law enforcement, and State and local regulatory authorities and agencies.

(9) Delivery vehicles shall be equipped with a secure lockbox in a secured cargo area, which shall be used for the sanitary and secure transport of cannabis items.

(10) A certified cannabis handler shall not leave cannabis items in an unattended delivery vehicle unless the vehicle is locked and equipped with an active vehicle alarm system.

(11) A delivery vehicle shall contain a Global Positioning System (GPS) device for identifying the geographic location of the delivery vehicle. The device shall be either permanently or temporarily affixed to the delivery vehicle while the delivery vehicle is in operation, and the device shall remain active and in the possession of the certified cannabis handler at all times during delivery. At all times, the cannabis retailer shall be able to identify the geographic location of all delivery vehicles that are making deliveries for the cannabis retailer and shall provide that information to the commission upon request.

(12) Upon request, a cannabis retailer shall provide the commission with information regarding any vehicles used for delivery, including the vehicle's make, model, color, Vehicle Identification Number, license plate number, and vehicle registration.

(13) Each cannabis retailer or contract vendor of a cannabis retailer shall maintain current hired and non-owned automobile liability insurance sufficient to insure all vehicles used for delivery of cannabis in the amount of not less than \$1,000,000 per occurrence or accident.

(14) Each cannabis retailer shall ensure that vehicles used to deliver cannabis bear no markings that would either identify or indicate that the vehicle is used to deliver cannabis items.

(15) Each cannabis retailer shall ensure that deliveries are completed in a timely and efficient manner.

(16) While making deliveries, a certified cannabis handler shall only travel from the cannabis retailer's licensed premises to the delivery address; from one delivery address to another delivery address; or from a delivery address back to the cannabis retailer's licensed premises. A cannabis handler shall not deviate from the delivery path described in this paragraph, except in the event of emergency or as necessary for rest, fuel, or vehicle repair stops, or

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because road conditions make continued use of the route or operation of the vehicle unsafe, impossible, or impracticable.

(17) The process of delivery begins when the certified cannabis handler leaves the cannabis retailer licensed premises with the cannabis items for delivery. The process of delivering ends when the cannabis handler returns to the cannabis retailer's licensed premises after delivering the cannabis item to the consumer.

(18) Each cannabis retailer shall maintain a record of each delivery of cannabis items in a delivery log, which may be written or electronic. For each delivery, the log shall record:

(a) The date and time that the delivery began and ended;

(b) The name of the certified cannabis handler;

(c) The cannabis items delivered;

(d) The lot number of the cannabis; and

(e) The signature of the consumer who accepted delivery.

(19) A cannabis retailer shall report any vehicle accidents, diversions, losses, or other reportable events that occur during delivery to the appropriate State and local authorities, including the commission.¹

REPLACE SECTION 20 TO READ:

¹20.] 27.¹ (New section) Marketplace Regulation.

a. ¹(1)¹ For a period of ¹36] 18¹ months after the ¹effective date of P.L. , c. (C.) (pending before the Legislature as this bill)] date determined by the commission pursuant to paragraph (2) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill), to be the first date on which retail sales of personal use cannabis items may occur,¹ it shall be unlawful for any owner, part owner, stockholder, officer, or director of any corporation, or any other person interested in any ¹any] ¹marijuana] ¹cannabis¹ cultivation facility, ¹any] ¹marijuana] ¹cannabis¹ testing facility, ¹any] ¹marijuana] ¹cannabis¹ product manufacturing facility, or ¹any] ¹cannabis¹ wholesaler ¹of marijuana]¹, to conduct, own either in whole or in part, or be directly or indirectly interested in the retailing of any ¹any] ¹marijuana] ¹cannabis¹ in New Jersey, and such interest shall include any payments or delivery of money or property by way of loan or otherwise accompanied by an agreement to sell the product of said ¹any] ¹marijuana] ¹cannabis¹ cultivation facility, ¹any] ¹marijuana] ¹cannabis¹ testing facility, ¹any] ¹marijuana] ¹cannabis¹ product manufacturing facility, or ¹any] ¹cannabis¹ wholesaler ¹of marijuana]. During this 18-month period, the holder of a Class 1 Cannabis Grower license to operate a cannabis cultivation facility or a Class 2 Cannabis Processor license to operate a cannabis product manufacturing facility may hold one other license to operate another cannabis establishment, other than a Class 3 Cannabis Wholesaler license to operate a cannabis wholesaler or a Class 4 Cannabis Retailer license to operate a cannabis retailer; and the holder of a Class 3 Cannabis

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Wholesaler license to operate a cannabis wholesaler shall be limited to just that one license¹.

¹**1** [b.] (2)¹ For a period of ¹**18** months after the ¹**1** [effective date of P.L. , c. (C.) (pending before the Legislature as this bill)] **1** date determined by the commission pursuant to paragraph (2) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill), to be the first date on which retail sales of personal use cannabis items may occur,¹ it shall be unlawful for any owner, part owner, stockholder, officer, or director of any corporation, or any other person interested in any retailing of ¹**1** [marijuana] **1** any cannabis¹ to conduct, own either whole or in part, or to be a shareholder, officer or director of a corporation or association, directly or indirectly, interested in any ¹**1** [marijuana] **1** cannabis¹ cultivation facility, ¹**1** [marijuana] **1** cannabis¹ testing facility, ¹**1** [or marijuana] **1** cannabis¹ product manufacturing facility, or ¹**1** [any] **1** cannabis¹ wholesaler ¹**1** [of marijuana]¹.

¹**1** [c. No person, partnership, employee cooperative, association, nonprofit corporation, corporation, or the agents thereof, shall hold more than three marijuana establishment licenses at any time.]

(3) (a) (i) The provisions of paragraphs (1) and (2) of this subsection shall not apply to an alternative treatment center that was issued a permit prior to the effective date of P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426) or that was issued a permit after that effective date pursuant to an application submitted prior to that effective date, that is deemed, pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by that act, to concurrently hold a Class 1 Cannabis Grower license, a Class 2 Cannabis Processor license, a Class 3 Cannabis Wholesaler license, and a Class 4 Cannabis Retail license, plus an additional Class 4 Cannabis Retail license for each satellite dispensary that was approved prior to that act's effective date or approved after that effective date pursuant to an application submitted prior to that date.

(ii) For each alternative treatment center deemed to have licenses pursuant to subparagraph (i) of this subparagraph, the commission shall not require the submission of an application for licensure, as the application requirement is deemed satisfied by the alternative treatment center's previously approved permit application to the Department of Health pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), but the alternative treatment center shall not begin to operate as any class of cannabis establishment until the alternative treatment center has submitted a written approval for a proposed cannabis establishment from the local governmental entity in which the proposed establishment is to be located, which approval is based on a determination that the proposed establishment complies with the local governmental entity's restrictions on the time, location, manner, and number of establishments enacted pursuant to section 19 of P.L. , c. (C.

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) (pending before the Legislature as this bill); additionally, on or after the date determined by the commission pursuant to paragraph (2) of subsection d. of section 8 of that act to be the first date on which retail sales of personal use cannabis may occur, the alternate treatment center shall not engage in the retail sale of cannabis until it has certified to the commission that it has sufficient quantities of medical cannabis and medical cannabis products available to meet the reasonably anticipated need of registered qualifying patients. The commission shall issue the initial license to the alternative treatment center for a cannabis establishment of the appropriate class upon receipt of the local governmental entity's approval. The commission shall begin accepting local governmental entity approvals from alternative treatment centers within 30 days after the adoption of the commission's initial rules and regulations pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill).

(iii) An alternative treatment center issued a license for a cannabis establishment shall be authorized to use the same premises for all activities authorized under P.L. , c. (C.) (pending before the Legislature as this bill) and the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), without being required to establish or maintain any physical barriers or separations between operations related to the medical use of cannabis and operations related to personal use cannabis, provided that the alternative treatment center shall be required to certify to the commission that the alternative treatment center has sufficient quantities of medical cannabis and medical cannabis products available to meet the reasonably anticipated treatment needs of registered qualifying patients as a condition of selling personal use cannabis at retail.

(b) Beginning on a date determined by the commission, to be not later than one year from the date determined by the commission pursuant to paragraph (2) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill) as the first date on which retail sales of personal use cannabis items may occur, an alternative treatment center deemed to have licenses and issued initial licenses pursuant to subparagraph (a) of this paragraph shall certify to the commission, within a period of time, as determined by the commission, prior to the date on which a license issued to the alternative treatment center is set to expire, the continued material accuracy of the alternative treatment center's previously approved permit application to the Department of Health pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), and its compliance with the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) as required by the commission for its operations concerning personal use cannabis, and this certification shall be supplemented with a new written approval from the local governmental entity in which the alternative treatment center is operating as a cannabis establishment for which the initial license was issued, approving the

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continued operations as a cannabis establishment. The commission shall renew the license of the alternative treatment center based upon a review of the certification and supporting local governmental entity's continued approval. This license renewal process shall thereafter be followed for each expiring license issued to the alternative treatment center.

b. (1) Following the 18 month period set forth in subsection a. of this section, a license holder shall be authorized to concurrently hold a Class 1 Cannabis Grower license, a Class 2 Cannabis Processor license, a Class 3 Cannabis Wholesaler license, and a Class 4 Cannabis Retail license, provided that no license holder shall be authorized to concurrently hold more than one license of each class, except for an alternative treatment center that was deemed, during the 18 month period, to have an additional Class 4 Cannabis Retail license for each satellite dispensary pursuant to subsubparagraph (i) of subparagraph (a) of paragraph (3) of subsection a. of this section.

(2) A license holder may submit an application for a license of any type that the license holder does not currently hold prior to the expiration of the 18 month period set forth in subsection a. of this section, provided that no license shall be awarded to the license holder during the 18 month period if issuance of the license would violate the restrictions set forth in subsection a. of this section concerning the classes of licenses that may be concurrently held during that 18 month period.¹

REPLACE SECTION 21 TO READ:

¹**[21.] 28.**¹ (New section) Employers, Driving, Minors and Control of Property.

¹Nothing in P.L. , c. (C.) (pending before the Legislature as this bill):¹

a. ¹**[Nothing in P.L. , c. (C.) (pending before the Legislature as this bill) is intended to require]** Requires an employer to amend or repeal, or affect, restrict or preempt the rights and obligations of employers to maintain a drug and alcohol free workplace or require¹ an employer to permit or accommodate the use, consumption, ¹being under the influence,¹ possession, transfer, display, transportation, sale, or ¹**[growing] growth¹ of ¹**[marijuana] cannabis or cannabis¹ items in the workplace ¹**[or to affect the ability of employers to have policies prohibiting marijuana use or intoxication by employees during work hours. No employer shall refuse to hire or employ any person or shall discharge from employment or take any adverse action against any employee with respect to compensation, terms, conditions, or other privileges of employment because that person does or does not smoke or use marijuana items, unless the employer has a rational basis for doing so which is reasonably related to the employment, including the responsibilities of the employee or prospective employee]**¹.****

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b. ¹["Nothing in P.L. , c. (C.) (pending before the Legislature as this bill) is] Is¹ intended to allow driving under the influence of ¹["marijuana"] cannabis¹ items or driving while impaired by ¹["marijuana"] cannabis¹ items or to supersede laws related to driving under the influence of marijuana ¹or cannabis¹ items or driving while impaired by marijuana ¹or cannabis¹ items.

c. ¹["Nothing in P.L. , c. (C.) (pending before the Legislature as this bill) is] Is¹ intended to permit the transfer of ¹["marijuana"] cannabis¹ items, with or without remuneration, to a person under the age of 21 or to allow a person under the age of 21 to purchase, possess, use, transport, ¹["grow,"]¹ or consume ¹["marijuana"] cannabis¹ items ¹, unless the person is under the age of 21, but at least 18 years of age, and an employee of a cannabis establishment acting in the person's employment capacity¹.

d. ¹["Nothing in] Shall, consistent with subsection c. of section 4 of¹ P.L. , c. (C.) (pending before the Legislature as this bill) ¹["shall] ,¹ prohibit a person ¹["],¹ or ¹["any other"]¹ entity that ¹["occupies,"]¹ owns ¹["],¹ or controls a property ¹, including a casino hotel facility as defined in section 19 of P.L.1977, c.110 (C.5:12-19),¹ from prohibiting or otherwise regulating the consumption, use, display, transfer, distribution, sale, ¹or¹ transportation ¹["], or growing"]¹ of ¹["marijuana"] cannabis¹ items on or in that property, ¹or portion thereof, including a hotel property that is a casino hotel facility as defined in section 19 of P.L.1977, c.110 (C.5:12-19), a casino as defined in section 6 of P.L.1977, c.110 (C.5:12-6), or casino simulcasting facility authorized pursuant to the "Casino Simulcasting Act," P.L.1992, c.19 (C.5:12-191 et seq.), provided that a person or entity that owns or controls multifamily housing that is a multiple dwelling as defined in section 3 of P.L.1967, c.76 (C.55:13A-3) may only prohibit or otherwise regulate the smoking, but not other consumption, of cannabis items, and further¹ provided that local ¹["government units"] governmental entities¹ may not prohibit possession ¹or consumption of cannabis items by a person 21 years of age or older as¹ permitted by section 4 of P.L. , c. (C.) (pending before the Legislature as this bill).

e. ¹["Nothing in P.L. , c. (C.) (pending before the Legislature as this bill) is] Is¹ intended to permit any person to possess, consume, use, display, transfer, distribute, sell, transport, or grow ¹["marijuana"] cannabis¹ items in a school, hospital, detention facility, adult correctional facility, and youth correction facility.

f. ¹["Nothing in P.L. , c. (C.) (pending before the Legislature as this bill) is] Is¹ intended to permit the smoking of ¹["marijuana"] cannabis items¹ in any place that any other law prohibits the smoking of tobacco ¹, including N.J.S.2C:33-13 and the "New Jersey Smoke-Free Air Act," P.L.2005, c.383 (C.26:3D-55 et

seq.)¹. Any fines ¹or civil penalties¹ that may be assessed for the smoking of tobacco in designated places shall be applicable to the smoking of ¹【marijuana】 cannabis items¹.

REPLACE SECTION 22 TO READ:

¹【22.】 29.¹ (New section) Medical ¹【Marijuana】 Cannabis¹ Provisions.

Nothing in P.L. , c. (C.) (pending before the Legislature as this bill) shall be construed:

a. to limit any privileges or rights of a ¹【medical marijuana】 registered qualifying¹ patient, ¹【primary】 designated¹ caregiver, institutional caregiver, or alternative treatment center as provided in the “New Jersey Compassionate Use Medical ¹【Marijuana】 Cannabis¹ Act,” P.L.2009, c.307 (C.24:6I-1 et al.), ¹or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹【, or sections 57 through 66 of P.L. , c. (C.) (pending before the Legislature as this bill)】 concerning the medical use of cannabis¹;

b. to authorize an alternative treatment center to dispense ¹【marijuana】 cannabis¹ to or on behalf of a person who is not a registered qualifying patient ¹【except that an alternative treatment center operating in good standing as of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) may apply for a retail license to operate immediately. A license issued pursuant to this subsection may be subject to annual renewal until regulations are adopted pursuant to P.L. , c. (C.) (pending before the Legislature as this bill)】 , unless that alternative treatment center is deemed to be licensed to engage in the retail sale of cannabis pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), and issued a license by the commission following receipt of a local governmental entity’s written approval for a cannabis retailer pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 27 of P.L. , c. (C.) (pending before the Legislature as this bill), or otherwise has applied for a license, and been approved and issued a license by the commission pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) to simultaneously operate as a cannabis retailer, and the alternative treatment center has certified to the commission that it has sufficient quantities of medical cannabis and medical cannabis products available to meet the reasonably anticipated treatment needs of registered qualifying patients as a condition of selling personal use cannabis at retail¹;

c. to authorize an alternative treatment center to purchase or acquire ¹【marijuana】 cannabis¹ or ¹【marijuana】 cannabis¹ products in a manner or from a source not permitted under P.L.2009, c.307 (C.24:6I-1 et al.) ¹【,】 ¹or¹ P.L.2015, c.158 (C.18A:40-12.22 et al.), ¹【or sections 57 through 66 of P.L. , c. (C.) (pending before the

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Legislature as this bill] unless that alternative treatment center is deemed to be licensed to engage in the retail sale of cannabis pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), , and issued a license by the commission following receipt of a local governmental entity's written approval for a cannabis retailer pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 27 of P.L. , c. (C.) (pending before the Legislature as this bill), or otherwise has applied for a license, and been approved and issued a license by the commission pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) to simultaneously operate as a cannabis establishment, and the alternative treatment center has certified to the commission that it has sufficient quantities of medical cannabis and, if applicable, medical cannabis products available to meet the reasonably anticipated treatment needs of registered qualifying patients as a condition of being authorized to purchase or acquire cannabis or cannabis products¹;

d. to authorize an alternative treatment center issued a permit under section 7 of P.L.2009, c.307 (C.24:6I-7) to operate on the same premises as a ¹[marijuana retailer] cannabis license holder or applicant for a license, unless that alternative treatment center is deemed to be licensed to engage in the retail sale of cannabis pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), , and issued a license by the commission following receipt of a local governmental entity's written approval for a cannabis retailer pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 27 of P.L. , c. (C.) (pending before the Legislature as this bill), or otherwise has applied for a license, and been approved and issued a license by the commission pursuant to P.L. , c. (C.) (pending before the Legislature as this bill) to simultaneously operate as a cannabis establishment, and the alternative treatment center has certified to the commission that it has sufficient quantities of medical cannabis and, if applicable, medical cannabis products available to meet the reasonably anticipated treatment needs of registered qualifying patients as a condition of operating on the same premises; or

e. to discharge the Department of Health from its duties to regulate medical ¹[marijuana] cannabis¹ pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) ¹[,] and¹ P.L.2015, c.158 (C.18A:40-12.22 et al.) ¹[, or sections 57 through 66 of] prior to the establishment of the commission and its initial promulgation of rules and regulations to oversee the development, regulation, and enforcement of activities associated with the personal use of cannabis pursuant to¹ P.L. , c. (C.) (pending before the Legislature as this bill) ¹, and to assume responsibility from the department for the further development and expansion, regulation, and enforcement of activities associated with

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the medical use of cannabis pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.)¹.

REPLACE SECTION 23 TO READ:

¹**[23.] 30.**¹ (New section) Medical ¹**[Marijuana] Cannabis**¹ – Additional Regulatory Requirements.

An alternative treatment center issued a permit under section 7 of P.L.2009, c.307 (C.24:6I-7) shall, as a condition of ¹**[being issued a Class 4 Marijuana Retailer license]** engaging in operations associated with personal use cannabis, after being deemed to be licensed¹ pursuant ¹to that¹ section ¹**[18 of]** , as amended by P.L. , c. (C.) (pending before the Legislature as Senate Committee Substitute for Senate Bill Nos. 10 and 2426), and issued a license by the commission following receipt of a local governmental entity's written approval for a cannabis retailer pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 27 of P.L. , c. (C.) (pending before the Legislature as this bill), or otherwise issued a license by the commission pursuant to¹ P.L. , c. (C.) (pending before the Legislature as this bill) ¹**[**:

a.] ¹to simultaneously operate as a cannabis establishment, shall¹ certify to the ¹**[Department of Health, at intervals established by the division,]** commission that it has¹ sufficient quantities of ¹**[approved]**¹ medical ¹**[marijuana] cannabis** and, if applicable, medical cannabis products available,¹ to meet the reasonably anticipated treatment needs of registered qualifying patients ¹**[**, before personal use marijuana can be sold; and

b. maintain separate areas for qualifying patients, primary caregivers, and institutional caregivers, and for personal use customers¹.

OMIT SECTION 24 IN ITS ENTIRETY

REPLACE SECTION 25 TO READ:

¹**[25.] 31.**¹ (New section) Limitations.

The provisions of P.L. , c. (C.) (pending before the Legislature as this bill) shall not be construed:

a. To amend or affect in any way any State or federal law pertaining to employment matters;

b. To amend or affect in any way any State or federal law pertaining to landlord-tenant matters;

c. To prohibit a recipient of a federal grant or an applicant for a federal grant from prohibiting the manufacture, delivery, possession, or use of ¹**[marijuana] cannabis items¹** to the extent necessary to satisfy federal requirements for the grant;

d. To prohibit a party to a federal contract or a person applying to be a party to a federal contract from prohibiting the manufacture, delivery, possession, or use of ¹**[marijuana] cannabis items¹** to the

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extent necessary to comply with the terms and conditions of the contract or to satisfy federal requirements for the contract;

e. To require a person to violate a federal law; or

f. To exempt a person from a federal law or obstruct the enforcement of a federal law.

OMIT SECTIONS 26 AND 27 IN THEIR ENTIRETY

REPLACE SECTION 28 TO READ:

¹~~28.~~ 32.¹ N.J.S.2C:35-2 is amended to read as follows:

2C:35-2. As used in this chapter:

"Administer" means the direct application of a controlled dangerous substance or controlled substance analog, whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by: (1) a practitioner (or, in his presence, by his lawfully authorized agent), or (2) the patient or research subject at the lawful direction and in the presence of the practitioner.

"Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser but does not include a common or contract carrier, public warehouseman, or employee thereof.

"Controlled dangerous substance" means a drug, substance, or immediate precursor in Schedules I through V, any substance the distribution of which is specifically prohibited in N.J.S.2C:35-3, in section 3 of P.L.1997, c.194 (C.2C:35-5.2), in section 5 of P.L.1997, c.194 (C.2C:35-5.3), in section 2 of P.L.2011, c.120 (C.2C:35-5.3a), or in section 2 of P.L.2013, c.35 (C.2C:35-5.3b), and any drug or substance which, when ingested, is metabolized or otherwise becomes a controlled dangerous substance in the human body. When any statute refers to controlled dangerous substances, or to a specific controlled dangerous substance, it shall also be deemed to refer to any drug or substance which, when ingested, is metabolized or otherwise becomes a controlled dangerous substance or the specific controlled dangerous substance, and to any substance that is an immediate precursor of a controlled dangerous substance or the specific controlled dangerous substance. The term shall not include distilled spirits, wine, malt beverages, as those terms are defined or used in R.S.33:1-1 et seq., ¹**[or]**¹ tobacco and tobacco products ¹, or cannabis or cannabis resin as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill)¹. The term, wherever it appears in any law or administrative regulation of this State, shall include controlled substance analogs.

"Controlled substance analog" means a substance that has a chemical structure substantially similar to that of a controlled dangerous substance and that was specifically designed to produce an effect substantially similar to that of a controlled dangerous substance. The term shall not include a substance manufactured or distributed in conformance with the provisions of an approved new

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drug application or an exemption for investigational use within the meaning of section 505 of the "Federal Food, Drug and Cosmetic Act," 52 Stat. 1052 (21 U.S.C. s.355).

"Counterfeit substance" means a controlled dangerous substance or controlled substance analog which, or the container or labeling of which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number, or device, or any likeness thereof, of a manufacturer, distributor, or dispenser other than the person or persons who in fact manufactured, distributed, or dispensed the substance and which thereby falsely purports or is represented to be the product of, or to have been distributed by, such other manufacturer, distributor, or dispenser.

"Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a controlled dangerous substance or controlled substance analog, whether or not there is an agency relationship.

"Dispense" means to deliver a controlled dangerous substance or controlled substance analog to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, including the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for that delivery. "Dispenser" means a practitioner who dispenses.

"Distribute" means to deliver other than by administering or dispensing a controlled dangerous substance or controlled substance analog. "Distributor" means a person who distributes.

"Drugs" means (a) substances recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them; and (b) substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (c) substances (other than food) intended to affect the structure or any function of the body of man or other animals; and (d) substances intended for use as a component of any article specified in subsections (a), (b), and (c) of this section; but does not include devices or their components, parts, or accessories.

"Drug or alcohol dependent person" means a person who as a result of using a controlled dangerous substance or controlled substance analog or alcohol has been in a state of psychic or physical dependence, or both, arising from the use of that controlled dangerous substance or controlled substance analog or alcohol on a continuous or repetitive basis. Drug or alcohol dependence is characterized by behavioral and other responses, including but not limited to a strong compulsion to take the substance on a recurring basis in order to experience its psychic effects, or to avoid the discomfort of its absence.

"Hashish" means the resin extracted from any part of the plant Genus Cannabis L. and any compound, manufacture, salt, derivative, mixture, or preparation of such resin. ¹"Hashish" does not include cannabis resin as defined in section 3 of P.L. , c. (C.

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) (pending before the Legislature as this bill) which is extracted in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), for use in a cannabis item as defined in that section.¹

"Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled dangerous substance or controlled substance analog, either directly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled dangerous substance or controlled substance analog by an individual for his own use or the preparation, compounding, packaging, or labeling of a controlled dangerous substance: (1) by a practitioner as an incident to his administering or dispensing of a controlled dangerous substance or controlled substance analog in the course of his professional practice, or (2) by a practitioner (or under his supervision) for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

"Marijuana" means all parts of the plant Genus Cannabis L., whether growing or not; the seeds thereof, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant **█**; but shall not include the mature stalks of the plant, fiber produced from the stalks, oil, or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of mature stalks, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination**█**. ¹“Marijuana” does not include cannabis as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) which is cultivated and processed in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), for use in a cannabis item as defined in that section.¹

"Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

- (a) Opium, coca leaves, and opiates;
- (b) A compound, manufacture, salt, derivative, or preparation of opium, coca leaves, or opiates;
- (c) A substance (and any compound, manufacture, salt, derivative, or preparation thereof) which is chemically identical with any of the substances referred to in subsections (a) and (b), except that the words "narcotic drug" as used in this act shall not include decocainized coca leaves or extracts of coca leaves, which extracts do not contain cocaine or ecogine.

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"Opiate" means any dangerous substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having such addiction-forming or addiction-sustaining liability. It does not include, unless specifically designated as controlled pursuant to the provisions of section 3 of P.L.1970, c.226 (C.24:21-3), the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does include its racemic and levorotatory forms.

"Opium poppy" means the plant of the species *Papaver somniferum* L., except the seeds thereof.

"Person" means any corporation, association, partnership, trust, other institution or entity, or one or more individuals.

"Plant" means an organism having leaves and a readily observable root formation, including, but not limited to, a cutting having roots, a rootball or root hairs.

"Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

"Practitioner" means a physician, dentist, veterinarian, scientific investigator, laboratory, pharmacy, hospital, or other person licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to, or administer a controlled dangerous substance or controlled substance analog in the course of professional practice or research in this State.

(a) "Physician" means a physician authorized by law to practice medicine in this or any other state and any other person authorized by law to treat sick and injured human beings in this or any other state.

(b) "Veterinarian" means a veterinarian authorized by law to practice veterinary medicine in this State.

(c) "Dentist" means a dentist authorized by law to practice dentistry in this State.

(d) "Hospital" means any federal institution, or any institution for the care and treatment of the sick and injured, operated or approved by the appropriate State department as proper to be entrusted with the custody and professional use of controlled dangerous substances or controlled substance analogs.

(e) "Laboratory" means a laboratory to be entrusted with the custody of narcotic drugs and the use of controlled dangerous substances or controlled substance analogs for scientific, experimental, and medical purposes and for purposes of instruction approved by the Department of Health.

"Production" includes the manufacture, planting, cultivation, growing, or harvesting of a controlled dangerous substance or controlled substance analog.

"Immediate precursor" means a substance which the Division of Consumer Affairs in the Department of Law and Public Safety has found to be and by regulation designates as being the principal compound commonly used or produced primarily for use, and which is an immediate chemical intermediary used or likely to be

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used in the manufacture of a controlled dangerous substance or controlled substance analog, the control of which is necessary to prevent, curtail, or limit such manufacture.

"Residential treatment facility" means any facility licensed and approved by the Department of Human Services and which is approved by any county probation department for the inpatient treatment and rehabilitation of drug or alcohol dependent persons.

"Schedules I, II, III, IV, and V" are the schedules set forth in sections 5 through 8 of P.L.1970, c.226 (C.24:21-5 through 24:21-8) and in section 4 of P.L.1971, c.3 (C.24:21-8.1) and as modified by any regulations issued by the Director of the Division of Consumer Affairs in the Department of Law and Public Safety pursuant to the director's authority as provided in section 3 of P.L.1970, c.226 (C.24:21-3).

"State" means the State of New Jersey.

"Ultimate user" means a person who lawfully possesses a controlled dangerous substance or controlled substance analog for his own use or for the use of a member of his household or for administration to an animal owned by him or by a member of his household.

"Prescription legend drug" means any drug which under federal or State law requires dispensing by prescription or order of a licensed physician, veterinarian, or dentist and is required to bear the statement "Rx only" or similar wording indicating that such drug may be sold or dispensed only upon the prescription of a licensed medical practitioner and is not a controlled dangerous substance or stramonium preparation.

"Stramonium preparation" means a substance prepared from any part of the stramonium plant in the form of a powder, pipe mixture, cigarette, or any other form with or without other ingredients.

"Stramonium plant" means the plant *Datura Stramonium* Linne, including *Datura Tatula* Linne.

(cf: P.L.2013, c.35, s.1)

REPLACE SECTION 29 TO READ:

¹~~29.~~ 33.¹ N.J.S.2C:35-5 is amended to read as follows:

2C:35-5. Manufacturing, Distributing or Dispensing. a. Except as authorized by P.L.1970, c.226 (C.24:21-1 et seq.), ¹~~or P.L. , c. (C.) (pending before the Legislature as this bill),~~¹ it shall be unlawful for any person knowingly or purposely:

(1) To manufacture, distribute or dispense, or to possess or have under his control with intent to manufacture, distribute or dispense, a controlled dangerous substance or controlled substance analog; or

(2) To create, distribute, or possess or have under his control with intent to distribute, a counterfeit controlled dangerous substance.

b. Any person who violates subsection a. with respect to:

(1) Heroin, or its analog, or coca leaves and any salt, compound, derivative, or preparation of coca leaves, and any salt, compound,

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derivative, or preparation thereof which is chemically equivalent or identical with any of these substances, or analogs, except that the substances shall not include decocainized coca leaves or extractions which do not contain cocaine or ecogine, or 3,4-methylenedioxyamphetamine or 3,4-methylenedioxyamphetamine, in a quantity of five ounces or more including any adulterants or dilutants is guilty of a crime of the first degree. The defendant shall, except as provided in N.J.S.2C:35-12, be sentenced to a term of imprisonment by the court. The term of imprisonment shall include the imposition of a minimum term which shall be fixed at, or between, one-third and one-half of the sentence imposed, during which the defendant shall be ineligible for parole. Notwithstanding the provisions of subsection a. of N.J.S.2C:43-3, a fine of up to **【\$500,000.00】** \$500,000 may be imposed;

(2) A substance referred to in paragraph (1) of this subsection, in a quantity of one-half ounce or more but less than five ounces, including any adulterants or dilutants is guilty of a crime of the second degree;

(3) A substance referred to paragraph (1) of this subsection in a quantity less than one-half ounce including any adulterants or dilutants is guilty of a crime of the third degree except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to **【\$75,000.00】** \$75,000 may be imposed;

(4) A substance classified as a narcotic drug in Schedule I or II other than those specifically covered in this section, or the analog of any such substance, in a quantity of one ounce or more including any adulterants or dilutants is guilty of a crime of the second degree;

(5) A substance classified as a narcotic drug in Schedule I or II other than those specifically covered in this section, or the analog of any such substance, in a quantity of less than one ounce including any adulterants or dilutants is guilty of a crime of the third degree except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to **【\$75,000.00】** \$75,000 may be imposed;

(6) Lysergic acid diethylamide, or its analog, in a quantity of 100 milligrams or more including any adulterants or dilutants, or phencyclidine, or its analog, in a quantity of 10 grams or more including any adulterants or dilutants, is guilty of a crime of the first degree. Except as provided in N.J.S.2C:35-12, the court shall impose a term of imprisonment which shall include the imposition of a minimum term, fixed at, or between, one-third and one-half of the sentence imposed by the court, during which the defendant shall be ineligible for parole. Notwithstanding the provisions of subsection a. of N.J.S.2C:43-3, a fine of up to **【\$500,000.00】** \$500,000 may be imposed;

(7) Lysergic acid diethylamide, or its analog, in a quantity of less than 100 milligrams including any adulterants or dilutants, or

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where the amount is undetermined, or phencyclidine, or its analog, in a quantity of less than 10 grams including any adulterants or dilutants, or where the amount is undetermined, is guilty of a crime of the second degree;

(8) Methamphetamine, or its analog, or phenyl-2-propanone (P2P), in a quantity of five ounces or more including any adulterants or dilutants is guilty of a crime of the first degree. Notwithstanding the provisions of subsection a. of N.J.S.2C:43-3, a fine of up to ~~【\$300,000.00】~~ \$300,000 may be imposed;

(9) (a) Methamphetamine, or its analog, or phenyl-2-propanone (P2P), in a quantity of one-half ounce or more but less than five ounces including any adulterants or dilutants is guilty of a crime of the second degree;

(b) Methamphetamine, or its analog, or phenyl-2-propanone (P2P), in a quantity of less than one-half ounce including any adulterants or dilutants is guilty of a crime of the third degree except that notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to ~~【\$75,000.00】~~ \$75,000 may be imposed;

(10) (a) Marijuana in a quantity of 25 pounds or more including any adulterants or dilutants, or 50 or more marijuana plants, regardless of weight, or hashish in a quantity of five pounds or more including any adulterants or dilutants, is guilty of a crime of the first degree. Notwithstanding the provisions of subsection a. of N.J.S.2C:43-3, a fine of up to ~~【\$300,000.00】~~ \$300,000 may be imposed;

(b) Marijuana in a quantity of five pounds or more but less than 25 pounds including any adulterants or dilutants, or 10 or more but fewer than 50 marijuana plants, regardless of weight, or hashish in a quantity of one pound or more but less than five pounds, including any adulterants and dilutants, is guilty of a crime of the second degree;

(11) Marijuana in a quantity of 'more than' one ounce ~~'【or more】'~~ but less than five pounds including any adulterants or dilutants, or hashish in a quantity of 'more than' five grams ~~'【or more】'~~ but less than one pound including any adulterants or dilutants, is guilty of a crime of the third degree except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to ~~【\$25,000.00】~~ \$25,000 may be imposed;

(12) ~~【Marijuana in a quantity of less than one ounce including any adulterants or dilutants, or hashish in a quantity of less than five grams including any adulterants or dilutants, is guilty of a crime of the fourth degree;】~~ '【(Deleted by amendment, P.L. c.) (pending before the Legislature as this bill)】 Marijuana in a quantity of one ounce or less including any adulterants or dilutants, or hashish in a quantity of five grams or less including any adulterants or dilutants, is guilty of a crime of the fourth degree; but distribution of, or possessing or having under

control with intent to distribute this amount of marijuana or hashish is presumed to be the lawful transfer or intended transfer of cannabis or cannabis resin in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill) and this distribution, or possessing or having under control with intent to distribute, alone does not constitute reasonable articulable suspicion of an act subject to prosecution as a crime of the fourth degree pursuant to this paragraph.¹

(13) Any other controlled dangerous substance classified in Schedule I, II, III or IV, or its analog, is guilty of a crime of the third degree, except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to **[\$25,000.00]** \$25,000 may be imposed; or

(14) Any Schedule V substance, or its analog, is guilty of a crime of the fourth degree except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to **[\$25,000.00]** \$25,000 may be imposed.

c. Where the degree of the offense for violation of this section depends on the quantity of the substance, the quantity involved shall be determined by the trier of fact. Where the indictment or accusation so provides, the quantity involved in individual acts of manufacturing, distribution, dispensing or possessing with intent to distribute may be aggregated in determining the grade of the offense, whether distribution or dispensing is to the same person or several persons, provided that each individual act of manufacturing, distribution, dispensing or possession with intent to distribute was committed within the applicable statute of limitations.
(cf: P.L.2000, c.136, s.1)

OMIT SECTIONS 30 AND 31 IN THEIR ENTIRETY

REPLACE SECTION 32 TO READ:

¹**32.] 34.**¹ N.J.S.2C:35-10 is amended to read as follows:

2C:35-10. Possession, Use or Being Under the Influence, or Failure to Make Lawful Disposition.

a. It is unlawful for any person, knowingly or purposely, to obtain, or to possess, actually or constructively, a controlled dangerous substance or controlled substance analog, unless the substance was obtained directly, or pursuant to a valid prescription or order form from a practitioner, while acting in the course of his professional practice, or except as otherwise authorized by P.L.1970, c.226 (C.24:21-1 et seq.) ¹**[, or except as authorized by P.L., c. (C.) (pending before the Legislature as this bill)]¹**. Any person who violates this section with respect to:

(1) A controlled dangerous substance, or its analog, classified in Schedule I, II, III or IV other than those specifically covered in this section, is guilty of a crime of the third degree except that,

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notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to ~~【\$35,000.00】~~ \$35,000 may be imposed;

(2) Any controlled dangerous substance, or its analog, classified in Schedule V, is guilty of a crime of the fourth degree except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to ~~【\$15,000.00】~~ \$15,000 may be imposed;

(3) Possession of ~~【more than】~~ ¹more than¹ 50 grams ¹~~【or more】~~¹ of marijuana, including any adulterants or dilutants, or more than five grams of hashish is ¹~~【guilty of a crime of the fourth degree, except that, notwithstanding the provisions of subsection b. of N.J.S.2C:43-3, a fine of up to】~~¹ ~~【\$25,000.00】~~ ¹~~【\$25,000~~ may be imposed¹ ~~】~~ a disorderly person¹; or

(4) Possession of ~~【50 grams or less】~~ ¹~~【more than one ounce (28.38 grams) but less than 50 grams,】~~ ¹50 grams or less¹ of marijuana, including any adulterants or dilutants, ~~【or five grams or less of hashish】~~ is a ¹~~【disorderly person】~~ civil penalty of \$50, but if the amount possessed is one ounce (28.38 grams) or less, the possession is presumed to be the lawful possession of cannabis in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. _____, c. (C. _____) (pending before the Legislature as this bill) and this possession alone does not constitute reasonable articulable suspicion of possession of marijuana subject to the \$50 civil penalty pursuant to this paragraph. Possession of five grams or less of hashish is a civil penalty of \$50, but possession of this amount is presumed to be the lawful possession of cannabis resin in accordance with the “New Jersey Cannabis Regulatory and Expungement Modernization Act,” P.L. _____, c. (C. _____) (pending before the Legislature as this bill) and this possession alone does not constitute reasonable articulable suspicion of possession of hashish subject to the \$50 civil penalty pursuant to this paragraph. The penalties provided for in this paragraph shall be collected pursuant to the “Penalty Enforcement Law of 1999,” P.L. 1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this paragraph shall be recovered by and in the name of the State by the local municipality. The penalty shall be paid into the treasury of the municipality in which the violation occurred for the general use of the municipality¹.

Any person who commits any offense defined in this section while on any property used for school purposes which is owned by or leased to any elementary or secondary school or school board, or within 1,000 feet of any such school property or a school bus, or while on any school bus, and who is not sentenced to a term of imprisonment, shall, in addition to any other sentence which the court may impose, be required to perform not less than 100 hours of community service.

b. Any person who uses or who is under the influence of any controlled dangerous substance, or its analog, for a purpose other than

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the treatment of sickness or injury as lawfully prescribed or administered by a physician is a disorderly person.

In a prosecution under this subsection, it shall not be necessary for the State to prove that the accused did use or was under the influence of any specific drug, but it shall be sufficient for a conviction under this subsection for the State to prove that the accused did use or was under the influence of some controlled dangerous substance, counterfeit controlled dangerous substance, or controlled substance analog, by proving that the accused did manifest physical and physiological symptoms or reactions caused by the use of any controlled dangerous substance or controlled substance analog.

c. Any person who knowingly obtains or possesses a controlled dangerous substance or controlled substance analog in violation of subsection a. of this section and who fails to voluntarily deliver the substance to the nearest law enforcement officer is guilty of a disorderly persons offense. Nothing in this subsection shall be construed to preclude a prosecution or conviction for any other offense defined in this title or any other statute.

(cf: P.L.1997, c.181, s.6)

REPLACE SECTION 33 TO READ:

¹**[33.] 35.** ¹N.J.S 2C:36-1 is amended to read as follows:

2C:36-1. Drug paraphernalia, defined; determination.

[As] ¹[Except as authorized by P.L. c. (C.) (pending before the Legislature as this bill), as] a. As¹ used in this act, "drug paraphernalia" means all equipment, products and materials of any kind which are used or intended for use in planting, propagating, cultivating, growing, harvesting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, containing, concealing, ingesting, inhaling, or otherwise introducing into the human body a controlled dangerous substance, controlled substance analog or toxic chemical in violation of the provisions of chapter 35 of this title. It shall include, but not be limited to:

¹**[a.] (1)** kits used or intended for use in planting, propagating, cultivating, growing or harvesting of any species of plant which is a controlled dangerous substance or from which a controlled dangerous substance can be derived;

¹**[b.] (2)** kits used or intended for use in manufacturing, compounding, converting, producing, processing, or preparing controlled dangerous substances or controlled substance analogs;

¹**[c.] (3)** isomerization devices used or intended for use in increasing the potency of any species of plant which is a controlled dangerous substance;

¹**[d.] (4)** testing equipment used or intended for use identifying, or in analyzing the strength, effectiveness or purity of controlled dangerous substances or controlled substance analogs;

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¹[e.] (5)¹ scales and balances used or intended for use in weighing or measuring controlled dangerous substances or controlled substance analogs;

¹[f.] (6)¹ dilutants and adulterants, such as quinine hydrochloride, mannitol, mannite, dextrose and lactose, used or intended for use in cutting controlled dangerous substances or controlled substance analogs;

¹[g.] **[separation gins and sifters used or intended for use in removing twigs and seeds from, or in otherwise cleaning or refining, marihuana;]**

¹[h.] (7) separation gins and sifters used or intended for use in removing twigs and seeds from, or in otherwise cleaning or refining, marijuana;

(8)¹ blenders, bowls, containers, spoons and mixing devices used or intended for use in compounding controlled dangerous substances or controlled substance analogs;

¹[i.] (9)¹ capsules, balloons, envelopes and other containers used or intended for use in packaging small quantities of controlled dangerous substances or controlled substance analogs;

¹[j.] (10)¹ containers and other objects used or intended for use in storing or concealing controlled dangerous substances, controlled substance analogs or toxic chemicals;

¹[k.] (11)¹ objects used or intended for use in ingesting, inhaling, or otherwise introducing **[marihuana,]** **¹marijuana,**¹ cocaine, **[hashish, hashish oil,]** **¹hashish, hashish oil,**¹ nitrous oxide or the fumes of a toxic chemical into the human body, such as **¹[(1)] (a)**¹ metal, wooden, acrylic, glass, stone, plastic, or ceramic pipes with or without screens, permanent screens, **[hashish heads,]** **¹hashish heads,**¹ or punctured metal bowls; **¹[(2)]**¹ **[water pipes;** (3) **¹(b) water pipes;** (c) ¹carburetion tubes and devices; **[(4)]** **¹[(3)] (d)**¹ smoking and carburetion masks; **[(5)** roach clips, meaning objects used to hold burning material, such as a marihuana cigarette, that has become too small or too short to be held in the hand; (6) **¹[(4)] (e)**¹ roach clips, meaning objects used to hold burning material, such as a marijuana cigarette, that has become too small or too short to be held in the hand; (f) ¹miniature cocaine spoons, and cocaine vials; **[(7)]** **¹[(5)] (g)**¹ chamber pipes; **[(8)]** **¹[(6)] (h)**¹ carburetor pipes; **[(9)]** **¹[(7)] (i)**¹ electric pipes; **[(10)]** **¹[(8)] (j)**¹ air-driven pipes; **[(11)]** **¹[(9)] (k)**¹ chillums; **[(12)]** **¹[(10)] (l)**¹ bong; **[(13)]** **¹[(11)] (m)**¹ ice pipes or chillers; **[(14)]** **¹[(12)] (n)**¹ compressed gas containers, such as tanks, cartridges or canisters, that contain food grade or pharmaceutical grade nitrous oxide as a principal ingredient; **[(15)]** **¹[(13)] (o)**¹ chargers or charging bottles, meaning metal, ceramic or plastic devices that contain an interior pin that may be used to expel compressed gas from a cartridge or canister; and **[(16)]** **¹[(14)] (p)**¹ tubes, balloons, bags,

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fabrics, bottles or other containers used to concentrate or hold in suspension a toxic chemical or the fumes of a toxic chemical.

¹**b.**¹ In determining whether or not an object is drug paraphernalia, the trier of fact, in addition to or as part of the proofs, may consider the following factors:

¹**[a.] (1) (a)**¹ statements by an owner or by anyone in control of the object concerning its use;

¹**[b.] (b)**¹ the proximity of the object ¹**[of] to**¹ illegally possessed controlled dangerous substances, controlled substance analogs or toxic chemicals;

¹**[c.] (c)**¹ the existence of any residue of illegally possessed controlled dangerous substances, controlled substance analogs or toxic chemicals on the object;

¹**[d.] (d)**¹ direct or circumstantial evidence of the intent of an owner, or of anyone in control of the object, to deliver it to persons whom he knows intend to use the object to facilitate a violation of this act; the innocence of an owner, or of anyone in control of the object, as to a direct violation of this act shall not prevent a finding that the object is intended for use as drug paraphernalia;

¹**[e.] (e)**¹ instructions, oral or written, provided with the object concerning its use;

¹**[f.] (f)**¹ descriptive materials accompanying the object which explain or depict its use;

¹**[g.] (g)**¹ national or local advertising whose purpose the person knows or should know is to promote the sale of objects intended for use as drug paraphernalia;

¹**[h.] (h)**¹ the manner in which the object is displayed for sale;

¹**[i.] (i)**¹ the existence and scope of legitimate uses for the object in the community; and

¹**[j.] (j)**¹ expert testimony concerning its use.

¹**(2)** If an object appears to be for use, intended for use, or designed for use with cannabis or cannabis items in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), the object is presumed to be a lawful cannabis paraphernalia as defined in section 3 of that act (C.) (pending before the Legislature as this bill) and does not alone constitute reasonable articulable suspicion that the object is a drug paraphernalia, notwithstanding that the object could also be used with marijuana, hashish, or another illegal controlled substance or controlled substance analog, unless the owner or anyone in control of the object was in possession of marijuana, hashish, or another illegal controlled dangerous substance or controlled substance analog, or the object was in proximity of marijuana, hashish, or another illegally possessed controlled dangerous substance or controlled substance analog to indicate its use, intended use, or design for use with that controlled dangerous substance or controlled substance analog.¹

(cf: P.L.2007, c.31, s.2)

INSERT NEW SECTIONS 36 THROUGH 59 TO READ:

¹36. (New section) On the date that the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) become operative based upon the Cannabis Regulatory Commission's adoption of the initial rules and regulations, pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of that act, concerning the legal personal use cannabis marketplace, any current pending charges or current prosecutions that have not yet resulted in a conviction, that are based on a violation of paragraph (4) of subsection a. of N.J.S.2C:35-10 for obtaining or possessing one ounce (28.38 grams) or less of marijuana, or five grams or less of hashish, and which act would have been presumed to be a lawful act associated with cannabis or cannabis resin in accordance with P.L. , c. (C.) (pending before the Legislature as this bill), shall no longer be further investigated and prosecuted by any law enforcement agency, or the Attorney General, a county prosecutor, or a municipal prosecutor. These non-prosecutable charges and cases shall be expeditiously dismissed, which may be accomplished by appropriate action by a law enforcement agency, or on a motion to the court with jurisdiction over a case, or the court's own motion.¹

¹37. (New section) a. Notwithstanding any other provision of law to the contrary, beginning on the date that the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) become operative based upon the Cannabis Regulatory Commission's adoption of the initial rules and regulations, pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of that act, concerning the legal personal use cannabis marketplace, the following persons may file a petition for an expedited expungement at any time:

(1) any person who has been charged with, convicted of, or adjudicated delinquent for any number of offenses which if committed by an adult would constitute unlawful distribution of, or possessing or having under control with intent to distribute, one ounce (28.38 grams) or less of marijuana or five grams or less of hashish in violation of paragraph (12) of subsection b. of N.J.S.2C:35-5, and whose past violation would have been presumed to be a lawful act associated with cannabis or cannabis resin in accordance with P.L. , c. (C.) (pending before the Legislature as this bill);

(2) any person who has been charged with, convicted of, or adjudicated delinquent for any number of offenses which if committed by an adult would constitute obtaining or possessing one ounce (28.38 grams) or less of marijuana or five grams or less of hashish in violation of paragraph (4) of subsection a. of N.J.S.2C:35-10, and whose past violation would have been presumed to be a lawful act associated with cannabis or cannabis resin in accordance with P.L. , c. (C.) (pending before the Legislature as this bill);
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(3) any person who has been charged with, convicted of, or adjudicated delinquent for any number of offenses which if committed by an adult would constitute using or possessing with intent to use drug paraphernalia for use with marijuana or hashish pursuant to N.J.S.2C:36-2, and whose past violation would have been presumed to be a lawful act associated with cannabis or cannabis resin in accordance with P.L. , c. (C.) (pending before the Legislature as this bill).

b. The provisions of N.J.S.2C:52-7 through N.J.S.2C:52-14 shall not apply to the petition and the court, upon review of the petition, shall immediately grant an expedited expungement for each charge, conviction, or adjudication of delinquency pursuant to this section.

c. No fee shall be charged for an expedited expungement pursuant to this section.

d. The petition shall be submitted to the Judiciary Ombudsman for the vicinage within which the most recent charge, conviction, or adjudication of delinquency included in the petition occurred. Upon receipt of a person's petition for an expedited expungement, the Judiciary Ombudsman shall, in accordance with section 38 of P.L. , c. (C.) (pending before the Legislature as this bill):

(1) review the petition;

(2) obtain all relevant records from the appropriate entities pertaining to the petition; and

(3) verify the person's eligibility for an expedited expungement pursuant to this section.

e. Upon verification of the person's eligibility for an expedited expungement, the Judiciary Ombudsman shall transmit the expungement petition together with the records and the verification to the court. The court shall review the petition, records, and verifications and shall immediately grant the expungement. The court shall provide copies of the expungement order and records to the person who is the subject of the petition.

f. Any public employee, or public agency that provides information or records pursuant to this section shall be immune from criminal and civil liability as a result of an act of commission or omission by that person or entity arising out of and in the course of participation in, or assistance with, in good faith, an expedited expungement. The immunity shall be in addition to and not in limitation of any other immunity provided by law.¹

¹38. (New section) a. The Administrative Director of the Courts shall require the Judiciary Ombudsman in each vicinage to assist persons with the filing of a petition for expedited expungement pursuant to section 37 of P.L. , c. (C.) (pending before the Legislature as this bill).

The Judiciary Ombudsman shall provide assistance to the person with:

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(1) obtaining the necessary records from the appropriate municipal, county, or State government agencies for completion of the expedited expungement petition; and

(2) preparing and filing the expedited expungement petition using the expungement e-filing system established pursuant to section 40 of P.L. , c. (C.) (pending before the Legislature as this bill); and

(3) shall maintain and provide information to any person upon request about legal services programs Statewide and in each county which may be available to assist the person with the expedited expungement petition pursuant to section 37 of P.L. , c. (C.) (pending before the Legislature as this bill).

b. Upon issuance of an expedited expungement order by a court, the Judiciary Ombudsman for the vicinage within which that court is located shall provide the person who is the subject of the petition with a copy of the expedited expungement court order and all relevant records from the appropriate entities pertaining to the expedited expungement order.¹

¹39. (New section) The Administrative Director of the Courts shall develop and maintain a multilingual public awareness campaign to promote awareness of the expedited expungement program and the expungement e-filing system established pursuant to sections 37 through 40 of P.L. , c. (C.) (pending before the Legislature as this bill).

The public awareness campaign shall, at a minimum, utilize electronic and print media and shall make available electronically on an Internet website a petition form and a list of the supporting information necessary for an expungement, including an expedited expungement pursuant to section 37 of P.L. , c. (C.) (pending before the Legislature as this bill), using the expungement e-filing system.

The petition and supporting information shall be made available in English, Spanish and any other language that is the primary language of 10 percent or more of the registered voters in the State.

The Administrative Director of the Courts shall report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to the Legislature, no later than one year after the effective date of P.L. , c. (C.)(pending before the Legislature as this bill), on the activities and accomplishments of the public awareness campaign.¹

¹40. (New section) a. No later than six months after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Administrative Office of the Courts shall develop and maintain a Statewide expungement e-filing system for the administration of expungement petitions pursuant to N.J.S.2C:52-1 et seq. As used in this section "expungement e-filing system" shall mean a Statewide integrated system that includes, but is not limited to, electronic filing, electronic service of process, electronic document

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management, electronic case management and electronic financial management.

b. Upon implementation of the Statewide expungement e-filing system, no fee shall be charged for the filing of an expungement application and accompanying petition pursuant to N.J.S.2C:52-1 et seq.

c. Notwithstanding the provisions of any other law to the contrary, the Supreme Court, Superior Court and the various municipal courts, including joint municipal courts, shared municipal courts and central municipal courts, when authorized by the Supreme Court by administrative directive or other means, may establish and maintain systems to accept expungement applications and petitions.

d. After the implementation of the Statewide expungement e-filing system established pursuant to this section, the Administrative Director of the Courts shall submit an annual report to the Governor and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1) to the Legislature, on the operation, maintenance, and administration of the Statewide expungement e-filing system including any recommendations as to legislative changes or improvements to effectuate the purposes of sections 37 through 40 of P.L. , c. (C.) (pending before the Legislature as this bill). The report shall assist policymakers in determining whether the expungement e-filing system should be modified or expanded. The report shall include statistics regarding the number of applicants; the number of expungements processed; the number of expungement orders issued; and any other relevant information at the discretion of the Administrative Director of the Courts.¹

¹41. N.J.S.2B:12-31 is amended to read as follows:

2B:12-31. Suspension of driving privileges. a. (1) **【If】** (a) Except as provided in subparagraph (b) of this paragraph, if a defendant charged with a disorderly persons offense, a petty disorderly persons offense, a violation of a municipal ordinance, or a violation of any other law of this State for which a penalty may be imposed fails to appear at any scheduled court proceeding after written notice has been given to said defendant pursuant to the Rules of Court, a municipal court may order the suspension of the person's driving privileges or nonresident reciprocity privilege or prohibit the person from receiving or obtaining driving privileges until the pending matter is adjudicated or otherwise disposed of, except by dismissal for failure of defendant to appear.

(b) A municipal court shall not suspend or revoke a defendant's driving privileges if the pending matter set forth in subparagraph (a) of this paragraph involves:

(i) distribution of, or possessing or having under control with intent to distribute, one ounce (28.38 grams) or less of marijuana or five grams or less of hashish in violation of paragraph (12) of subsection b. of N.J.S.2C:35-5;

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(ii) obtaining or possessing one ounce (28.38 grams) or less of marijuana or five grams or less of hashish in violation of paragraph (4) of subsection a. of N.J.S.2C:35-10; or

(iii) using or possessing with intent to use drug paraphernalia for use with marijuana or hashish in violation of N.J.S.2C:36-2.

(2) If a defendant sentenced to pay a fine or costs, make restitution, perform community service, serve a term of probation, or do any other act as a condition of that sentence fails to do so, a municipal court may order the suspension of the person's driving privileges or nonresident reciprocity privilege or prohibit the person from receiving or obtaining driving privileges until the terms and conditions of the sentence have been performed or modified.

b. Prior to any action being taken pursuant to the provisions of this section, the defendant shall be given notice of the proposed action and afforded an opportunity to appear before the court to contest the validity of the proposed action.

c. The municipal court shall notify the Division of Motor Vehicles of any action taken pursuant to the provisions of this section.

d. Any action taken by a municipal court pursuant to this section shall be in addition to any other remedies which are available to the court and in addition to any other penalties which may be imposed by the court.

e. (1) When a defendant whose license has been suspended pursuant to subsection a. of this section satisfies the requirements of that subsection, the municipal court shall forward to the Division of Motor Vehicles a notice to restore the defendant's driving privileges.

(2) There shall be included in the fines and penalties imposed by a court on a defendant whose license has been suspended pursuant to subsection a. of this section, the following:

(a) A fee of \$3.00 which shall be transferred to the Division of Motor Vehicles;

(b) A penalty of \$10.00 for the issuance of the failure to appear notice; and

(c) A penalty of \$15.00 for the order of suspension of defendant's driving privileges.¹

(cf: P.L.1993, c.293, s.1)

¹42. N.J.S.2C:35-16 is amended to read as follows:

2C:35-16. a. In addition to any disposition authorized by this title, the provisions of section 24 of P.L.1982, c.77 (C.2A:4A-43), or any other statute indicating the dispositions that can be ordered for an adjudication of delinquency, and notwithstanding the provisions of subsection c. of N.J.S.2C:43-2, a person convicted of or adjudicated delinquent for a violation of any offense defined in this chapter or chapter 36 of this title shall forthwith forfeit his right to operate a motor vehicle over the highways of this State for a period to be fixed by the court at not less than six months or more than two years which shall commence on the day the sentence is imposed unless the court finds compelling circumstances warranting an exception or except as

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provided in subsection e. of this section. For the purposes of this section, compelling circumstances warranting an exception exist if the forfeiture of the person's right to operate a motor vehicle over the highways of this State will result in extreme hardship and alternative means of transportation are not available. In the case of a person who at the time of the imposition of sentence is less than 17 years of age, the period of any suspension of driving privileges authorized herein, including a suspension of the privilege of operating a motorized bicycle, shall commence on the day the sentence is imposed and shall run for a period as fixed by the court of not less than six months or more than two years after the day the person reaches the age of 17 years. If the driving privilege of any person is under revocation, suspension, or postponement for a violation of any provision of this title or Title 39 of the Revised Statutes at the time of any conviction or adjudication of delinquency for a violation of any offense defined in this chapter or chapter 36 of this title, any revocation, suspension, or postponement period imposed herein shall commence as of the date of termination of the existing revocation, suspension, or postponement.

b. If forfeiture or postponement of driving privileges is ordered by the court pursuant to subsection a. of this section, the court shall collect forthwith the New Jersey driver's license or licenses of the person and forward such license or licenses to the Chief Administrator of the New Jersey Motor Vehicle Commission along with a report indicating the first and last day of the suspension or postponement period imposed by the court pursuant to this section. If the court is for any reason unable to collect the license or licenses of the person, the court shall cause a report of the conviction or adjudication of delinquency to be filed with the Chief Administrator. That report shall include the complete name, address, date of birth, eye color, and sex of the person and shall indicate the first and last day of the suspension or postponement period imposed by the court pursuant to this section. The court shall inform the person orally and in writing that if the person is convicted of personally operating a motor vehicle during the period of license suspension or postponement imposed pursuant to this section, the person shall, upon conviction, be subject to the penalties set forth in R.S.39:3-40. A person shall be required to acknowledge receipt of the written notice in writing. Failure to receive a written notice or failure to acknowledge in writing the receipt of a written notice shall not be a defense to a subsequent charge of a violation of R.S.39:3-40. If the person is the holder of a driver's license from another jurisdiction, the court shall not collect the license but shall notify forthwith the Chief Administrator who shall notify the appropriate officials in the licensing jurisdiction. The court shall, however, in accordance with the provisions of this section, revoke the person's non-resident driving privilege in this State.

c. In addition to any other condition imposed, a court may in its discretion suspend, revoke or postpone in accordance with the provisions of this section the driving privileges of a person admitted to

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supervisory treatment under N.J.S.2C:36A-1 or N.J.S.2C:43-12 without a plea of guilty or finding of guilt.

d. After sentencing and upon notice to the prosecutor, a person subject to suspension or postponement of driving privileges under this section may seek revocation of the remaining portion of any suspension or postponement based on compelling circumstances warranting an exception that were not raised at the time of sentencing. The court may revoke the suspension or postponement if it finds compelling circumstances.

e. The forfeiture or postponement of driving privileges set forth in subsection a. shall not apply to any person convicted of or adjudicated delinquent for an offense which if committed by an adult would constitute:

(1) distribution of, or possessing or having under control with intent to distribute, one ounce (28.38 grams) or less of marijuana or five grams or less of hashish in violation of paragraph (12) of subsection b. of N.J.S.2C:35-5;

(2) obtaining or possessing one ounce (28.38 grams) or less of marijuana or five grams or less of hashish in violation of paragraph (4) of subsection a. of N.J.S.2C:35-10; or

(3) using or possessing with intent to use drug paraphernalia for use with marijuana or hashish in violation of N.J.S.2C:36-2.¹

(cf:P.L.2008, c.84, s.2)

¹43. The title of P.L.1981, c.197 is amended to read as follows:
AN ACT concerning the unauthorized bringing of alcoholic beverages or cannabis items onto school premises, and supplementing chapter 33 of Title 2C of the New Jersey Statutes.¹

(cf: P.L.1981, c.197, title)

¹44. Section 1 of P.L.1981, c.197 (C.2C:33-16) is amended to read as follows:

1. Any person of legal age to purchase alcoholic beverages or cannabis items, who knowingly and without the express written permission of the school board, its delegated authority, or any school principal, or as authorized pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et seq.) or P.L.2015, c.158 (C.18A:40-12.22 et al.) to engage in the medical use of cannabis, brings or possesses any alcoholic beverages or cannabis items on any property used for school purposes which is owned by any school or school board, is guilty of a disorderly persons offense. For purposes of this section, an alcoholic beverage includes powdered alcohol as defined by R.S.33:1-1, and a cannabis item includes any item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill).¹

(cf: P.L.1981, c.197, s.1)

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¹45. R.S.40:48-1 is amended to read as follows:

40:48-1. Ordinances; general purpose. The governing body of every municipality may make, amend, repeal and enforce ordinances to:

Finances and property. 1. Manage, regulate and control the finances and property, real and personal, of the municipality;

Contracts and contractor's bonds. 2. Prescribe the form and manner of execution and approval of all contracts to be executed by the municipality and of all bonds to be given to it;

Officers and employees; duties, terms and salaries. 3. Prescribe and define, except as otherwise provided by law, the duties and terms of office or employment, of all officers and employees; and to provide for the employment and compensation of such officials and employees, in addition to those provided for by statute, as may be deemed necessary for the efficient conduct of the affairs of the municipality;

Fees. 4. Fix the fees of any officer or employee of the municipality for any service rendered in connection with his office or position, for which no specific fee or compensation is provided. In the case of salaried officers or employees, such fee shall be paid into the municipal treasury;

Salaries instead of fees; disposition of fees. 5. Provide that any officer or employee receiving compensation for his services, in whole or in part by fees, whether paid by the municipality or otherwise, shall be paid a salary to be fixed in the ordinance, and thereafter all fees received by such officer or employee shall be paid into the municipal treasury;

Maintain order. 6. Prevent vice, drunkenness and immorality; to preserve the public peace and order; to prevent and quell riots, disturbances and disorderly assemblages; to prohibit the consumption of alcoholic beverages or cannabis items by underage persons on private property pursuant to section 1 of P.L.2000, c.33 (C.40:48-1.2);

Punish beggars; prevention of loitering. 7. Restrain and punish drunkards, vagrants, mendicants and street beggars; to prevent loitering, lounging or sleeping in the streets, parks or public places;

Auctions and noises. 8. Regulate the ringing of bells and the crying of goods and other commodities for sale at auction or otherwise, and to prevent disturbing noises;

Swimming; bathing costume; prohibition of public nudity. 9. Regulate or prohibit swimming or bathing in the waters of, in, or bounding the municipality, and to regulate or prohibit persons from appearing upon the public streets, parks and places clad in bathing costumes or robes, or costumes of a similar character; regulate or prohibit persons from appearing in a state of nudity upon all lands within its borders which are under the jurisdiction of the State including, without limitation, all lands owned by, controlled by, managed by or leased by the State;

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Prohibit annoyance of persons or animals. 10. Regulate or prohibit any practice tending to frighten animals, or to annoy or injure persons in the public streets;

Animals; pounds; establishment and regulation. 11. Establish and regulate one or more pounds, and to prohibit or regulate the running at large of horses, cattle, dogs, swine, goats and other animals, and to authorize their impounding and sale for the penalty incurred, and the costs of impounding, keeping and sale; to regulate or prohibit the keeping of cattle, goats or swine in any part of the municipality; to authorize the destruction of dogs running at large therein;

Hucksters. 12. Prescribe and regulate the place of vending or exposing for sale articles of merchandise from vehicles;

Building regulations; wooden structures. 13. Regulate and control the construction, erection, alteration and repair of buildings and structures of every kind within the municipality; and to prohibit, within certain limits, the construction, erection or alteration of buildings or structures of wood or other combustible material;

Inflammable materials; inspect docks and buildings. 14. Regulate the use, storage, sale and disposal of inflammable or combustible materials, and to provide for the protection of life and property from fire, explosions and other dangers; to provide for inspections of buildings, docks, wharves, warehouses and other places, and of goods and materials contained therein, to secure the proper enforcement of such ordinance;

Dangerous structures; removal or destruction; procedure. 15. Provide for the removal or destruction of any building, wall or structure which is or may become dangerous to life or health, or might tend to extend a conflagration; and to assess the cost thereof as a municipal lien against the premises;

Chimneys and boilers. 16. Regulate the construction and setting up of chimneys, furnaces, stoves, boilers, ovens and other contrivances in which fire is used;

Explosives. 17. Regulate, in conformity with the statutes of this State, the manufacture, storage, sale, keeping or conveying of gunpowder, nitroglycerine, dynamite and other explosives;

Firearms and fireworks. 18. Regulate and prohibit the sale and use of guns, pistols, firearms, and fireworks of all descriptions;

Soft coal. 19. Regulate the use of soft coal in locomotives, factories, power houses and other places;

Theaters, schools, churches and public places. 20. Regulate the use of theaters, cinema houses, public halls, schools, churches, and other places where numbers of people assemble, and the exits therefrom, so that escape therefrom may be easily and safely made in case of fire or panic; and to regulate any machinery, scenery, lights, wires and other apparatus, equipment or appliances used in all places of public amusement;

Excavations. 21. Regulate excavations below the established grade or curb line of any street, not greater than eight feet, which the owner of any land may make, in the erection of any building upon his

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own property; and to provide for the giving of notice, in writing, of such intended excavation to any adjoining owner or owners, and that they will be required to protect and care for their several foundation walls that may be endangered by such excavation; and to provide that in case of the neglect or refusal, for 10 days, of such adjoining owner or owners to take proper action to secure and protect the foundations of any adjacent building or other structure, that the party or parties giving such notice, or their agents, contractors or employees, may enter into and upon such adjoining property and do all necessary work to make such foundations secure, and may recover the cost of such work and labor in so protecting such adjacent property; and to make such further and other provisions in relation to the proper conduct and performance of said work as the governing body or board of the municipality may deem necessary and proper;

Sample medicines. 22. Regulate and prohibit the distribution, depositing or leaving on the public streets or highways, public places or private property, or at any private place or places within any such municipality, any medicine, medicinal preparation or preparations represented to cure ailments or diseases of the body or mind, or any samples thereof, or any advertisements or circulars relating thereto, but no ordinance shall prohibit a delivery of any such article to any person above the age of 12 years willing to receive the same;

Boating. 23. Regulate the use of motor and other boats upon waters within or bounding the municipality;

Fire escapes. 24. Provide for the erection of fire escapes on buildings in the municipality, and to provide rules and regulations concerning the construction and maintenance of the same, and for the prevention of any obstruction thereof or thereon;

Care of injured employees. 25. Provide for the payment of compensation and for medical attendance to any officer or employee of the municipality injured in the performance of his duty;

Bulkheads and other structures. 26. Fix and determine the lines of bulkheads or other works or structures to be erected, constructed or maintained by the owners of lands facing upon any navigable water in front of their lands, and in front of or along any highway or public lands of said municipality, and to designate the materials to be used, and the type, height and dimensions thereof;

Lifeguard. 27. Establish, maintain, regulate and control a lifeguard upon any beach within or bordering on the municipality;

Appropriation for life-saving apparatus. 28. Appropriate moneys to safeguard people from drowning within its borders, by location of apparatus or conduct of educational work in harmony with the plans of the United States volunteer life-saving corps in this State;

Fences. 29. Regulate the size, height and dimensions of any fences between the lands of adjoining owners, whether built or erected as division or partition fences between such lands, and whether the same exist or be erected entirely or only partly upon the lands of any such adjoining owners, or along or immediately adjacent to any division or partition line of such lands. To provide, in such ordinance,

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the manner of securing, fastening or shoring such fences, and for surveying the land when required by statute, and to prohibit in any such ordinance the use at a height of under 10 feet from the ground, of any device, such as wire or cable, that would be dangerous to pedestrians, equestrians, bicyclists, or drivers of off-the-road vehicles, unless that device is clearly visible to pedestrians, equestrians, bicyclists or drivers of off-the-road vehicles. In the case of fences thereafter erected contrary to the provisions thereof, the governing body may provide for a penalty for the violation of such ordinance, and in the case of such fence or fences erected or existing at the time of the passage of any such ordinance, may provide therein for the removal, change or alteration thereof, so as to make such fence or fences comply with the provisions of any such ordinance;

Advertise municipality. 30. Appropriate funds for advertising the advantages of the municipality;

Government Energy Aggregation Programs. 31. Establish programs and procedures pursuant to which the municipality may act as a government aggregator pursuant to sections 40 through 43 of P.L.1999, c.23 (C.48:3-89 through C.48:3-92), section 45 of P.L.1999, c.23 (C.48:3-94), and sections 1, 2 and 6 of P.L.2003, c.24 (C.48:3-93.1 through C.48:3-93.3). Notwithstanding the provisions of any other law, rule or regulation to the contrary, a municipality acting as a government aggregator pursuant to P.L.1999, c.23 (C.48:3-49 et al.) shall not be deemed to be a public utility pursuant to R.S.40:62-24 or R.S.48:1-1 et seq. or be deemed to be operating any form of public utility service pursuant to R.S.40:62-1 et seq., to the extent such municipality is solely engaged in the provision of such aggregation service and not otherwise owning or operating any plant or facility for the production or distribution of gas, electricity, steam or other product as provided in R.S.40:62-12;

Joint municipal action on consent for the provision of cable television service. 32. Establish programs and procedures pursuant to which a municipality may act together with one or more municipalities in granting municipal consent for the provision of cable television service pursuant to the provisions of the "Cable Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.) as amended and supplemented. Notwithstanding the provisions of any other law, rule or regulation to the contrary, two or more municipalities acting jointly pursuant to the provisions of P.L.1972, c.186 (C.48:5A-1 et seq.) shall not be deemed a public utility pursuant to R.S.48:1-1 et seq., to the extent those municipalities are solely engaged in granting municipal consent jointly and are not otherwise owning or operating any facility for the provision of cable television service as provided in P.L.1972, c.186 (C.48:5A-1 et seq.);

Private cable television service aggregation programs. 33. Establish programs and procedures pursuant to which a municipality may employ the services of a private aggregator for the purpose of facilitating the joint action of two or more municipalities in granting municipal consent for the provision of cable television service

provided that any such municipality shall adhere to the provisions of the "Cable Television Act," P.L.1972, c.186 (C.48:5A-1 et seq.) as amended and supplemented, and to the provisions of the "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.) as amended and supplemented. Notwithstanding the provisions of any other law, rule or regulation to the contrary, a municipality that employs the services of a private aggregator pursuant to the provisions of P.L.1972, c.186 (C.48:5A-1 et seq.) shall not be deemed a public utility pursuant to R.S.48:1-1 et seq., to the extent that the municipality is solely engaged in employing the services of a private aggregator for the purpose of facilitating the joint action of two or more municipalities in granting municipal consent and is not otherwise owning or operating any facility for the provision of cable television service as provided in P.L.1972, c.186 (C.48:5A-1 et seq.);

Protective Custody. 34. Provide protective custody to persons arrested for operating a motor vehicle under the influence of alcoholic beverages, cannabis items as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), any chemical substance, or any controlled dangerous substance in violation of R.S.39:4-50 as provided in section 1 of P.L.2003, c.164 (C.40:48-1.3);

Private Outdoor Video Surveillance Camera Registry. 35. Establish a private outdoor video surveillance camera registry and allow voluntary registration of private outdoor video surveillance cameras as provided in P.L.2015, c.142 (C.40:48-1.6 et al.). (cf: P.L.2015, c.142, s.3)

¹46. (New section) A municipality may enact an ordinance making it unlawful for any person who is of legal age and consumes, other than by smoking, a cannabis item available for lawful consumption pursuant to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill), in any public place as defined in section 3 of that act, or as prohibited by the owner or person responsible for the operation of the public place, and the person may be subject to a civil penalty of up to \$200, which shall be recovered in a civil action by a summary proceeding in the name of the municipality pursuant to the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.). The municipal court and the Superior Court shall have jurisdiction of proceedings for the enforcement of the penalty provided by this section.¹

¹47. The title of P.L.1979, c.264 is amended to read as follows:
AN ACT concerning certain alcoholic beverage and cannabis item offenses by persons under the legal age to purchase alcoholic beverages and cannabis items, and supplementing chapter 33 of Title 2C of the New Jersey Statutes.¹
(cf: P.L.1981, c.197, title)

¹48. Section 1 of P.L.1979, c.264 (C.2C:33-15) is amended to read as follows:

1. a. (1) Any person under the legal age to purchase alcoholic beverages who knowingly possesses without legal authority or who knowingly consumes any alcoholic beverage in any school, public conveyance, public place, or place of public assembly, or motor vehicle, is guilty of a disorderly persons offense, and shall be fined not less than \$500.

(2) (a) Any person under the legal age to purchase cannabis items who knowingly possesses without legal authority any cannabis item, the amount of which may be lawfully possessed by a person of the legal age to purchase cannabis items pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), in any school, public conveyance, public place, or place of public assembly, or motor vehicle, unless authorized to engage in the medical use of cannabis pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) or P.L.2015, c.158 (C.18A:40-12.22 et al.), is: for a first offense, subject to a civil penalty of \$100; for a second offense, subject to a civil penalty of \$200; and for a third or subsequent offense, guilty of a disorderly persons offense, and shall be fined not less than \$500. The civil penalties provided for in this subparagraph shall be collected pursuant to the “Penalty Enforcement Law of 1999,” P.L. 1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this subparagraph shall be recovered by and in the name of the State by the local municipality.

(b) Any person under the legal age to purchase cannabis items who knowingly possesses without legal authority any cannabis item, the amount of which exceeds what may be lawfully possessed by a person of the legal age to purchase cannabis items pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), or who knowingly consumes any cannabis item in any school, public conveyance, public place, or place of public assembly, or motor vehicle, unless authorized to engage in the medical use of cannabis pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) or P.L.2015, c.158 (C.18A:40-12.22 et al.), is guilty of a disorderly persons offense, and shall be fined not less than \$500.

b. Whenever this offense is committed in a motor vehicle, the court shall, in addition to the sentence authorized for the offense, suspend or postpone for six months the driving privilege of the defendant. Upon the conviction of any person under this section, the court shall forward a report to the New Jersey Motor Vehicle Commission stating the first and last day of the suspension or postponement period imposed by the court pursuant to this section. If a person at the time of the imposition of a sentence is less than 17 years of age, the period of license postponement, including a suspension or postponement of the privilege of operating a motorized bicycle, shall commence on the day the sentence is imposed and shall

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run for a period of six months after the person reaches the age of 17 years.

If a person at the time of the imposition of a sentence has a valid driver's license issued by this State, the court shall immediately collect the license and forward it to the commission along with the report. If for any reason the license cannot be collected, the court shall include in the report the complete name, address, date of birth, eye color, and sex of the person as well as the first and last date of the license suspension period imposed by the court.

The court shall inform the person orally and in writing that if the person is convicted of operating a motor vehicle during the period of license suspension or postponement, the person shall be subject to the penalties set forth in R.S.39:3-40. A person shall be required to acknowledge receipt of the written notice in writing. Failure to receive a written notice or failure to acknowledge in writing the receipt of a written notice shall not be a defense to a subsequent charge of a violation of R.S.39:3-40.

If the person convicted under this section is not a New Jersey resident, the court shall suspend or postpone, as appropriate, the non-resident driving privilege of the person based on the age of the person and submit to the commission the required report. The court shall not collect the license of a non-resident convicted under this section. Upon receipt of a report by the court, the commission shall notify the appropriate officials in the licensing jurisdiction of the suspension or postponement.

c. In addition to the general penalty prescribed for a disorderly persons offense, the court may require any person who violates this act to participate in an alcohol or drug abuse education or treatment program, authorized by the Division of Mental Health and Addiction Services in the Department of **Human Services** Health, for a period not to exceed the maximum period of confinement prescribed by law for the offense for which the individual has been convicted.

d. Nothing in this act shall apply to possession of alcoholic beverages by any such person while actually engaged in the performance of employment pursuant to an employment permit issued by the Director of the Division of Alcoholic Beverage Control, or for a bona fide hotel or restaurant, in accordance with the provisions of R.S.33:1-26, or while actively engaged in the preparation of food while enrolled in a culinary arts or hotel management program at a county vocational school or **post secondary** post-secondary educational institution; and nothing in this section shall apply to possession of cannabis items by any such person while actually engaged in the performance of employment by a cannabis establishment as permitted pursuant to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill).

e. The provisions of section 3 of P.L.1991, c.169 (C.33:1-81.1a) shall apply to a parent, guardian or other person with legal custody of a

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person under 18 years of age who is found to be in violation of this section.

f. An underage person and one or two other persons shall be immune from prosecution under this section if:

(1) one of the underage persons called 9-1-1 and reported that another underage person was in need of medical assistance due to alcohol consumption or the consumption of a cannabis item;

(2) the underage person who called 9-1-1 and, if applicable, one or two other persons acting in concert with the underage person who called 9-1-1 provided each of their names to the 9-1-1 operator;

(3) the underage person was the first person to make the 9-1-1 report; and

(4) the underage person and, if applicable, one or two other persons acting in concert with the underage person who made the 9-1-1 call remained on the scene with the person under the legal age in need of medical assistance until assistance arrived and cooperated with medical assistance and law enforcement personnel on the scene.

The underage person who received medical assistance also shall be immune from prosecution under this section.

g. For purposes of this section, an alcoholic beverage includes powdered alcohol as defined by R.S.33:1-1, and a cannabis item includes any item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill).¹

(cf: P.L.2015, c.137, s.3)

¹49. The title of P.L.2000, c.33 is amended to read as follows:

AN ACT concerning possession and consumption of alcoholic beverages or cannabis items by underaged persons, supplementing Title 40 of the Revised Statutes and amending R.S.40:48-1.¹

(cf: P.L.2000, c.33, title)

¹50. Section 1 of P.L.2000, c.33 (C.40:48-1.2) is amended to read as follows:

1. a. A municipality may enact an ordinance making it unlawful for any person under the legal age who, without legal authority, knowingly possesses or knowingly consumes an alcoholic beverage or a cannabis item, other than by smoking, on private property, unless authorized to engage in the medical use of cannabis pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) or P.L.2015, c.158 (C.18A:40-12.22 et al.).

(1) The ordinance shall provide that a violation involving alcoholic beverage activity shall be punished by a fine of \$250 for a first offense and \$350 for any subsequent offense.

(2) The ordinance shall provide that a violation involving cannabis activity shall be punished as follows:

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(a) If the cannabis item possessed is an amount which may be lawfully possessed by a person of the legal age to purchase cannabis items pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill): for a first offense, a civil penalty of \$100; for a second offense, a civil penalty of \$200; and for a third or subsequent offense, a fine of \$350. The civil penalties provided for in this subparagraph shall be collected pursuant to the “Penalty Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this subparagraph shall be recovered by and in the name of the municipality.

(b) If the cannabis item possessed is an amount that exceeds what may be lawfully possessed by a person of the legal age to purchase cannabis items pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), or if any cannabis item is consumed: for a first offense, a fine of \$250; and for a second or subsequent offense, a fine of \$350.

b. The ordinance shall provide that the court may, in addition to the fine authorized for this offense, suspend or postpone for six months the driving privilege of the defendant. Upon the conviction of any person and the suspension or postponement of that person's driver's license, the court shall forward a report to the **【Division of Motor Vehicles】** New Jersey Motor Vehicle Commission stating the first and last day of the suspension or postponement period imposed by the court pursuant to this section. If a person at the time of the imposition of a sentence is less than 17 years of age, the period of license postponement, including a suspension or postponement of the privilege of operating a motorized bicycle, shall commence on the day the sentence is imposed and shall run for a period of six months after the person reaches the age of 17 years.

If a person at the time of the imposition of a sentence has a valid driver's license issued by this State, the court shall immediately collect the license and forward it to the **【division】** commission along with the report. If for any reason the license cannot be collected, the court shall include in the report the complete name, address, date of birth, eye color, and sex of the person, as well as the first and last date of the license suspension period imposed by the court.

The court shall inform the person orally and in writing that if the person is convicted of operating a motor vehicle during the period of license suspension or postponement, the person shall be subject to the penalties set forth in R.S.39:3-40. A person shall be required to acknowledge receipt of the written notice in writing. Failure to receive a written notice or failure to acknowledge in writing the receipt of a written notice shall not be a defense to a subsequent charge of a violation of R.S.39:3-40.

If the person convicted under such an ordinance is not a New Jersey resident, the court shall suspend or postpone, as appropriate, the non-resident driving privilege of the person based on the age of the person and submit to the **【division】** commission the required report.

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The court shall not collect the license of a non-resident convicted under this section. Upon receipt of a report by the court, the **[division]** commission shall notify the appropriate officials in the licensing jurisdiction of the suspension or postponement.

c. (1) No ordinance shall prohibit an underaged person from consuming or possessing an alcoholic beverage in connection with a religious observance, ceremony, or rite or consuming or possessing an alcoholic beverage in the presence of and with the permission of a parent, guardian or relative who has attained the legal age to purchase and consume alcoholic beverages.

(2) As used in this section:

“Alcoholic beverage” includes powdered alcohol as defined by R.S.33:1-1.

“Guardian” means a person who has qualified as a guardian of the underaged person pursuant to testamentary or court appointment.

“Cannabis items” includes any item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill).

“Relative” means the underaged person's grandparent, aunt or uncle, sibling, or any other person related by blood or affinity.

d. No ordinance shall prohibit possession of alcoholic beverages by any such person while actually engaged in the performance of employment by a person who is licensed under Title 33 of the Revised Statutes, or while actively engaged in the preparation of food while enrolled in a culinary arts or hotel management program at a county vocational school or **[post secondary]** post-secondary educational institution, and no ordinance shall prohibit possession of cannabis items by any such person while actually engaged in the performance of employment by a cannabis establishment as permitted pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill); however, no ordinance enacted pursuant to this section shall be construed to preclude the imposition of a penalty under this section, R.S.33:1-81, or any other section of law against a person who is convicted of unlawful alcoholic beverage activity or unlawful cannabis activity on or at premises licensed for the sale of alcoholic beverages or cannabis items.¹

(cf: P.L.2000, c.33, s.1)

¹51. The title of P.L.2009, c.133 is amended to read as follows:

AN ACT concerning persons under the legal age to possess and consume alcoholic beverages or cannabis items, amending P.L.1979, c.264, and supplementing P.L.2000, c.33 (C.40:48-1.2 et al.).¹

(cf: P.L.2009, c.133, title)

¹52. Section 2 of P.L.2009, c.133 (C.40:48-1.2a) is amended to read as follows:

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2. a. An underage person and one or two other persons shall be immune from prosecution under an ordinance authorized by section 1 of P.L.2000, c.33 (C.40:48-1.2) prohibiting any person under the legal age who, without legal authority, knowingly possesses or knowingly consumes an alcoholic beverage or cannabis item on private property if:

(1) one of the underage persons called 9-1-1 and reported that another underage person was in need of medical assistance due to alcohol consumption or the consumption of a cannabis item;

(2) the underage person who called 9-1-1 and, if applicable, one or two other persons acting in concert with the underage person who called 9-1-1 provided each of their names to the 9-1-1 operator;

(3) the underage person was the first person to make the 9-1-1 report; and

(4) the underage person and, if applicable, one or two other persons acting in concert with the underage person who made the 9-1-1 call remained on the scene with the person under the legal age in need of medical assistance until assistance arrived and cooperated with medical assistance and law enforcement personnel on the scene.

b. The underage person who received medical assistance as provided in subsection a. of this section also shall be immune from prosecution under an ordinance authorized by section 1 of P.L.2000, c.33 (C.40:48-1.2).¹

(cf: P.L.2009, c.133, s.2)

¹53. Section 1 of P.L.1983, c.565 (C.2C:21-2.1) is amended to read as follows:

1. a. A person who knowingly sells, offers or exposes for sale, or otherwise transfers, or possesses with the intent to sell, offer or expose for sale, or otherwise transfer, a document, printed form or other writing which falsely purports to be a driver's license, birth certificate or other document issued by a governmental agency and which could be used as a means of verifying a person's identity or age or any other personal identifying information is guilty of a crime of the second degree.

b. A person who knowingly makes, or possesses devices or materials to make, a document or other writing which falsely purports to be a driver's license, birth certificate or other document issued by a governmental agency and which could be used as a means of verifying a person's identity or age or any other personal identifying information is guilty of a crime of the second degree.

c. A person who knowingly exhibits, displays or utters a document or other writing which falsely purports to be a driver's license, birth certificate or other document issued by a governmental agency and which could be used as a means of verifying a person's identity or age or any other personal identifying information is guilty of a crime of the third degree. A violation of N.J.S.2C:28-7, constituting a disorderly persons offense, section 1 of P.L.1979, c.264 (C.2C:33-15), R.S.33:1-81 or section 6 of P.L.1968, c.313 (C.33:1-

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81.7) in a case where the person uses the personal identifying information of another to illegally purchase an alcoholic beverage or for using the personal identifying information of another to misrepresent his age for the purpose of obtaining tobacco or other consumer product denied to persons under ~~18~~ 21 years of age shall not, except as otherwise set forth in this subsection, constitute an offense under this subsection if the actor received only that benefit or service and did not perpetrate or attempt to perpetrate any additional injury or fraud on another. If the personal identifying information of another is used to illegally obtain any cannabis item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), the person shall be subject to a civil penalty of \$50. The penalty provided for in this subsection shall be collected pursuant to the “Penalty Enforcement Law of 1999,” P.L. 1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this subsection shall be recovered by and in the name of the State by the local municipality. The penalty shall be paid into the treasury of the municipality in which the violation occurred for the general use of the municipality.

d. A person who knowingly possesses a document or other writing which falsely purports to be a driver's license, birth certificate or other document issued by a governmental agency and which could be used as a means of verifying a person's identity or age or any other personal identifying information is guilty of a crime of the fourth degree. A violation of N.J.S.2C:28-7, constituting a disorderly persons offense, section 1 of P.L.1979, c.264 (C.2C:33-15), R.S.33:1-81 or section 6 of P.L.1968, c.313 (C.33:1-81.7) in a case where the person uses the personal identifying information of another to illegally purchase an alcoholic beverage or for using the personal identifying information of another to misrepresent his age for the purpose of obtaining tobacco or other consumer product denied to persons under ~~18~~ 21 years of age shall not, except as otherwise set forth in this subsection, constitute an offense under this subsection if the actor received only that benefit or service and did not perpetrate or attempt to perpetrate any additional injury or fraud on another. If the personal identifying information of another is used to obtain any cannabis item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), the person shall be subject to a civil penalty of \$50. The penalty provided for in this subsection shall be collected pursuant to the “Penalty Enforcement Law of 1999,” P.L. 1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this subsection shall be recovered by and in the name of the State by the local municipality. The penalty shall be paid into the treasury of the municipality in which the violation occurred for the general use of the municipality.

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e. In addition to any other disposition authorized by this Title, the provisions of section 24 of P.L.1982, c.77 (C.2A:4A-43), or any other statute indicating the dispositions that may be ordered for an adjudication of delinquency, and, notwithstanding the provisions of subsection c. of N.J.S.2C:43-2, every person convicted of₂ or adjudicated delinquent or penalized for a violation of any offense defined in this section shall forthwith forfeit his right to operate a motor vehicle over the highways of this State for a period to be fixed by the court at not less than six months or more than two years which shall commence on the day the sentence is imposed. In the case of any person who at the time of the imposition of the sentence is less than 17 years of age, the period of the suspension of driving privileges authorized herein, including a suspension of the privilege of operating a motorized bicycle, shall commence on the day the sentence is imposed and shall run for a period as fixed by the court of not less than six months or more than two years after the day the person reaches the age of 17 years. If the driving privilege of any person is under revocation, suspension, or postponement for a violation of any provision of this Title or Title 39 of the Revised Statutes at the time of any conviction or adjudication of delinquency for a violation of any offense defined in this chapter or chapter 36 of this Title, the revocation, suspension, or postponement period imposed herein shall commence as of the date of termination of the existing revocation, suspension or postponement.

The court before whom any person is convicted of₂ or adjudicated delinquent or penalized for a violation of any offense defined in this section shall collect forthwith the New Jersey driver's license or licenses of that person and forward the license or licenses to the Chief Administrator of the New Jersey Motor Vehicle Commission along with a report indicating the first and last day of the suspension or postponement period imposed by the court pursuant to this section. If the court is for any reason unable to collect the license or licenses of the person, the court shall cause a report of the conviction or adjudication of delinquency to be filed with the director. The report shall include the complete name, address, date of birth, eye color and sex of the person and shall indicate the first and last day of the suspension or postponement period imposed by the court pursuant to this section. The court shall inform the person orally and in writing that if the person is convicted of personally operating a motor vehicle during the period of license suspension or postponement imposed pursuant to this section, the person shall, upon conviction, be subject to the penalties set forth in R.S.39:3-40. A person shall be required to acknowledge receipt of the written notice in writing. Failure to receive a written notice or failure to acknowledge in writing the receipt of a written notice shall not be a defense to a subsequent charge of a violation of R.S.39:3-40. If the person is the holder of a driver's license from another jurisdiction, the court shall not collect the license, but shall notify forthwith the director who shall notify the appropriate officials in that licensing jurisdiction. The court shall, however, in

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accordance with the provisions of this section, revoke the person's non-resident driving privileges in this State.

In addition to any other condition imposed, a court, in its discretion, may suspend, revoke or postpone the driving privileges of a person admitted to supervisory treatment under N.J.S.2C:36A-1 or N.J.S.2C:43-12 without a plea of guilty or finding of guilt.¹

(cf: P.L.2005, c.224, s.1)

¹54. N.J.S.2C:21-17 is amended to read as follows:

2C:21-17. Impersonation; Theft of identity; crime.

a. A person is guilty of a crime if the person engages in one or more of the following actions by any means including, but not limited to, the use of electronic communications or an Internet website:

(1) Impersonates another or assumes a false identity and does an act in such assumed character or false identity for the purpose of obtaining a benefit for himself or another or to injure or defraud another;

(2) Pretends to be a representative of some person or organization and does an act in such pretended capacity for the purpose of obtaining a benefit for himself or another or to injure or defraud another;

(3) Impersonates another, assumes a false identity or makes a false or misleading statement regarding the identity of any person, in an oral or written application for services, for the purpose of obtaining services;

(4) Obtains any personal identifying information pertaining to another person and uses that information, or assists another person in using the information, in order to assume the identity of or represent himself as another person, without that person's authorization and with the purpose to fraudulently obtain or attempt to obtain a benefit or services, or avoid the payment of debt or other legal obligation or avoid prosecution for a crime by using the name of the other person; or

(5) Impersonates another, assumes a false identity or makes a false or misleading statement, in the course of making an oral or written application for services, with the purpose of avoiding payment for prior services. Purpose to avoid payment for prior services may be presumed upon proof that the person has not made full payment for prior services and has impersonated another, assumed a false identity or made a false or misleading statement regarding the identity of any person in the course of making oral or written application for services.

As used in this section:

"Benefit" means, but is not limited to, any property, any pecuniary amount, any services, any pecuniary amount sought to be avoided or any injury or harm perpetrated on another where there is no pecuniary value.

b. (Deleted by amendment, P.L.2005, c.224).

c. A person who violates subsection a. of this section is guilty of a crime as follows:

(1) If the actor obtains a benefit or deprives another of a benefit in an amount less than \$500 and the offense involves the identity of one

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victim, the actor shall be guilty of a crime of the fourth degree except that a second or subsequent conviction for such an offense constitutes a crime of the third degree; or

(2) If the actor obtains a benefit or deprives another of a benefit in an amount of at least \$500 but less than \$75,000, or the offense involves the identity of at least two but less than five victims, the actor shall be guilty of a crime of the third degree; or

(3) If the actor obtains a benefit or deprives another of a benefit in the amount of \$75,000 or more, or the offense involves the identity of five or more victims, the actor shall be guilty of a crime of the second degree.

d. A violation of N.J.S.2C:28-7, constituting a disorderly persons offense, section 1 of P.L.1979, c.264 (C.2C:33-15), R.S.33:1-81 or section 6 of P.L.1968, c.313 (C.33:1-81.7) in a case where the person uses the personal identifying information of another to illegally purchase an alcoholic beverage or for using the personal identifying information of another to misrepresent his age for the purpose of obtaining tobacco or other consumer product denied to persons under **[19]** 21 years of age shall not, except as otherwise set forth in this subsection, constitute an offense under this section if the actor received only that benefit or service and did not perpetrate or attempt to perpetrate any additional injury or fraud on another. If the personal identifying information of another is used to obtain any cannabis item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), the person shall be subject to a civil penalty of \$50. The penalty provided for in this subsection shall be collected pursuant to the “Penalty Enforcement Law of 1999,” P.L. 1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this subsection shall be recovered by and in the name of the State by the local municipality. The penalty shall be paid into the treasury of the municipality in which the violation occurred for the general use of the municipality.

e. The sentencing court shall issue such orders as are necessary to correct any public record or government document that contains false information as a result of a theft of identity. The sentencing court may provide restitution to the victim in accordance with the provisions of section 4 of P.L.2002, c.85 (C.2C:21-17.1).¹
(cf: P.L.2013, c.241, s.1)

¹55. Section 5 of P.L.2003, c.184 (C.2C:21-17.2) is amended to read as follows:

5. a. A person is guilty of a crime of the second degree if, in obtaining or attempting to obtain a driver's license, birth certificate or other document issued by a governmental agency which could be used as a means of verifying a person's identity, age or any other personal identifying information, that person knowingly exhibits, displays or utters a document or other writing which falsely purports to be a

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driver's license, birth certificate or other document issued by a governmental agency or which belongs or pertains to a person other than the person who possesses the document.

b. Notwithstanding the provisions of N.J.S.2C:1-8 or any other law, a conviction under this section shall not merge with a conviction of any other criminal offense, nor shall such other conviction merge with a conviction under this section, and the court shall impose separate sentences upon each violation of this section and any other criminal offense.

c. A violation of N.J.S.2C:28-7, constituting a disorderly persons offense, section 1 of P.L.1979, c.264 (C.2C:33-15), R.S.33:1-81 or section 6 of P.L.1968, c.313 (C.33:1-81.7) in a case where the person uses the personal identifying information of another to illegally purchase an alcoholic beverage or for using the personal identifying information of another to misrepresent his age for the purpose of obtaining tobacco or other consumer product denied to persons under **[18]** 21 years of age shall not, except as otherwise set forth in this subsection, constitute an offense under this section if the actor received only that benefit or service and did not perpetrate or attempt to perpetrate any additional injury or fraud on another. If the personal identifying information of another is used to obtain any cannabis item available for lawful consumption pursuant to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill), the person shall be subject to a civil penalty of \$50. The penalty provided for in this subsection shall be collected pursuant to the "Penalty Enforcement Law of 1999," P.L. 1999, c.274 (C.2A:58-10 et seq.), in a summary proceeding before the municipal court having jurisdiction. A penalty recovered under the provisions of this subsection shall be recovered by and in the name of the State by the local municipality. The penalty shall be paid into the treasury of the municipality in which the violation occurred for the general use of the municipality.¹

(cf: P.L.2005, c.224, s.4)

¹56. The title of P.L.1968, c.313 is amended to read as follows:
AN ACT relating to the establishing of proof of age for purposes of purchasing alcoholic beverages or cannabis items in certain cases.¹

(cf: P.L.2009, c.133, title)

¹57. Section 6 of P.L.1968, c.313 (C.33:1-81.7) is amended to read as follows:

6. It shall be unlawful for the owner of an identification card, as defined by this act, to transfer said card to any other person for the purpose of aiding such person to secure alcoholic beverages or cannabis items available for lawful consumption pursuant to the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill). Any person who shall transfer such

identification card for the purpose of aiding such transferee to obtain alcoholic beverages shall be guilty of a **【misdemeanor】** disorderly persons offense and, upon conviction thereof, shall be sentenced to pay a fine of not more than \$300.00, or undergo imprisonment for not more than 60 days. Any person not entitled thereto who shall have unlawfully procured or have issued or transferred to him, as aforesaid, identification card or any person who shall make any false statement on any card required by subsection (c) hereof to be signed by him shall be guilty of a **【misdemeanor】** disorderly persons offense and, upon conviction thereof, shall be sentenced to pay a fine of not more than \$300.00, or undergo imprisonment for not more than 60 days.¹

(cf: P.L.1968, c.313, s.6)

¹58. The title of P.L.1991, c.169 is amended to read as follows:

AN ACT concerning the retail sale of alcoholic beverages or cannabis items, amending R.S.33:1-81 and P.L.1979, c.264 and supplementing chapter 1 of Title 33 of the Revised Statutes.¹

(cf: P.L.1991, c.169, title)

¹59. Section 3 of P.L.1991, c.169 (C.33:1-81.1a) is amended to read as follows:

3. A parent, guardian or other person having legal custody of a person under 18 years of age found in violation of R.S.33:1-81 or section 1 of P.L.1979, c.264 (C.2C:33-15) with respect to purchasing, possessing, or consuming any alcoholic beverage or cannabis item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. . c. (C.) (pending before the Legislature as this bill) shall be notified of the violation in writing. The parent, guardian or other person having legal custody of a person under 18 years of age shall be subject to a fine in the amount of \$500.00 upon any subsequent violation of R.S.33:1-81 or section 1 of P.L.1979, c.264 (C.2C:33-15) on the part of such person if it is shown that the parent, guardian or other person having legal custody failed or neglected to exercise reasonable supervision or control over the conduct of the person under 18 years of age.¹

(cf: P.L.1991, c.169, s.3)

OMIT SECTION 34 IN ITS ENTIRETY

INSERT NEW SECTIONS 60 AND 61 TO READ:

¹60. Section 2 of P.L.1970, c.226 (C.24:21-2) is amended to read as follows:

2. As used in this act:

"Administer" means the direct application of a controlled dangerous substance, whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by: (1) a practitioner (or, in the practitioner's presence, by the practitioner's

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lawfully authorized agent), or (2) the patient or research subject at the lawful direction and in the presence of the practitioner.

"Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser but does not include a common or contract carrier, public warehouseman, or employee thereof.

"Commissioner" means the Commissioner of Health.

"Controlled dangerous substance" means a drug, substance, or immediate precursor in Schedules I through V of article 2 of P.L.1970, c.226 (C.24:21-1 et seq.). The term shall not include distilled spirits, wine, malt beverages, as those terms are defined or used in R.S.33:1-1 et seq., or tobacco and tobacco products.

"Counterfeit substance" means a controlled dangerous substance which, or the container or labeling of which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number or device, or any likeness thereof, of a manufacturer, distributor, or dispenser other than the person or persons who in fact manufactured, distributed, or dispensed such substance and which thereby falsely purports or is represented to be the product of, or to have been distributed by, such other manufacturer, distributor, or dispenser.

"Deliver" or "delivery" means the actual, constructive, or attempted transfer from one person to another of a controlled dangerous substance, whether or not there is an agency relationship.

"Director" means the Director of the Division of Consumer Affairs in the Department of Law and Public Safety.

"Dispense" means to deliver a controlled dangerous substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, including the prescribing, administering, packaging, labeling, or compounding necessary to prepare the substance for that delivery.

"Dispenser" means a practitioner who dispenses.

"Distribute" means to deliver other than by administering or dispensing a controlled dangerous substance.

"Distributor" means a person who distributes.

"Division" means the Division of Consumer Affairs in the Department of Law and Public Safety.

"Drug Enforcement Administration" means the Drug Enforcement Administration in the United States Department of Justice.

"Drugs" means (a) substances recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or any supplement to any of them; and (b) substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (c) substances (other than food) intended to affect the structure or any function of the body of man or other animals; and (d) substances intended for use as a component of any article specified in subsections (a), (b), and (c) of this section; but does not include devices or their components, parts or accessories.

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"Hashish" means the resin extracted from any part of the plant **Genus** Cannabis L. and any compound, manufacture, salt, derivative, mixture, or preparation of such resin. "Hashish" does not include cannabis resin as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) which is extracted in accordance with the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill), for use in a cannabis item as defined in that section.

"Marihuana" means all parts of the plant **Genus** Cannabis L., whether growing or not; the seeds thereof; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant; but shall not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks, fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination. "Marihuana" does not include cannabis as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) which is cultivated and processed in accordance with the "New Jersey Cannabis Regulatory and Expungement Aid Modernization Act," P.L. , c. (C.) (pending before the Legislature as this bill), for use in a cannabis item as defined in that section.

"Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled dangerous substance, either directly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled dangerous substance by an individual for the individual's own use or the preparation, compounding, packaging, or labeling of a controlled dangerous substance: (1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled dangerous substance in the course of the practitioner's professional practice, or (2) by a practitioner (or under the practitioner's supervision) for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

"Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

- (a) Opium, coca leaves, and opiates;
- (b) A compound, manufacture, salt, derivative, or preparation of opium, coca leaves, or opiates;
- (c) A substance (and any compound, manufacture, salt, derivative, or preparation thereof) which is chemically identical with any of the substances referred to in subsections (a) and (b), except that the words

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"narcotic drug" as used in this act shall not include decocainized coca leaves or extracts of coca leaves, which extracts do not contain cocaine or ecgonine.

"Official written order" means an order written on a form provided for that purpose by the Attorney General of the United States or his delegate, under any laws of the United States making provisions therefor, if such order forms are authorized and required by the federal law, and if no such form is provided, then on an official form provided for that purpose by the division. If authorized by the Attorney General of the United States or the division, the term shall also include an order transmitted by electronic means.

"Opiate" means any dangerous substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having such addiction-forming or addiction-sustaining liability. It does not include, unless specifically designated as controlled under section 3 of this act, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does include its racemic and levorotatory forms.

"Opium poppy" means the plant of the species *Papaver somniferum* L., except the seeds thereof.

"Person" means any corporation, association, partnership, trust, other institution or entity, or one or more individuals.

"Pharmacist" means a registered pharmacist of this State.

"Pharmacy owner" means the owner of a store or other place of business where controlled dangerous substances are compounded or dispensed by a registered pharmacist; but nothing in this chapter contained shall be construed as conferring on a person who is not registered or licensed as a pharmacist any authority, right, or privilege that is not granted to the person by the pharmacy laws of this State.

"Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

"Practitioner" means a physician, dentist, veterinarian, scientific investigator, laboratory, pharmacy, hospital, or other person licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to, or administer a controlled dangerous substance in the course of professional practice or research in this State.

(a) "Physician" means a physician authorized by law to practice medicine in this or any other state.

(b) "Veterinarian" means a veterinarian authorized by law to practice veterinary medicine in this State.

(c) "Dentist" means a dentist authorized by law to practice dentistry in this State.

(d) "Hospital" means any federal institution, or any institution for the care and treatment of the sick and injured, operated or approved by the appropriate State department as proper to be entrusted with the custody and professional use of controlled dangerous substances.

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(e) "Laboratory" means a laboratory to be entrusted with the custody of narcotic drugs and the use of controlled dangerous substances for scientific, experimental, and medical purposes and for purposes of instruction approved by the Department of Health.

"Production" includes the manufacture, planting, cultivation, growing, or harvesting of a controlled dangerous substance.

"Immediate precursor" means a substance which the division has found to be and by regulation designates as being the principal compound commonly used or produced primarily for use, and which is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled dangerous substance, the control of which is necessary to prevent, curtail, or limit such manufacture.

"Substance use disorder involving drugs" means taking or using a drug or controlled dangerous substance, as defined in this chapter, in association with a state of psychic or physical dependence, or both, arising from the use of that drug or controlled dangerous substance on a continuous basis. A substance use disorder is characterized by behavioral and other responses, including, but not limited to, a strong compulsion to take the substance on a recurring basis in order to experience its psychic effects, or to avoid the discomfort of its absence.

"Ultimate user" means a person who lawfully possesses a controlled dangerous substance for the person's own use or for the use of a member of the person's household or for administration to an animal owned by the person or by a member of the person's household.¹

(cf: P.L.2017, c.131, s.65)

¹61. R.S.24:5-18 is amended to read as follows:

24:5-18. For the purposes of this subtitle a drug or device shall also be deemed to be misbranded:

- a. If its labeling is false or misleading in any particular.
- b. If in package form unless it bears a label containing the name and place of business of the manufacturer, packer, or distributor.
- c. If any word, statement or other information required by or under authority of this subtitle to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements or designs in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.
- d. If it is for use by man and contains any quantity of the narcotic or hypnotic substance alpha-eucaine, barbituric acid, beta-eucaine, bromal, cannabis other than as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill), carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium, paraldehyde, peyote, or sulphonmethane; or any chemical derivative of such substance, which derivative has been by the Department of Health of the State of New Jersey after investigation found to be, and by regulations under this subtitle designated as, habit forming; unless its

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label bears the name and quantity or proportion of such substance, or derivative and in juxtaposition therewith, the statement "Warning-- May be habit forming."

e. If it is a drug and is not designated solely by a name recognized in an official compendium, unless its label bears (1) the common or usual name of the drug, if such there be; and (2) in case it is fabricated from 2 or more ingredients, the common or usual name of each active ingredient, including the kind and quantity or proportion of any alcohol, and also including, whether active or not, the name and quantity or proportion of any bromides, ether, chloroform, acetanilid, acetphanetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis glusocides, mercury, ouabain, strophanthin, strychnine, thyroid, or any derivative or preparation of any such substances, contained therein; provided, that to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, exemptions may be established by regulations promulgated by the State department.

f. Unless its labeling bears (1) adequate directions for use; and (2) such adequate warnings against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application, in such manner and form, as are necessary for the protection of users; provided, that where any requirement of clause (1) of this paragraph, as applied to any drug or device, is not necessary for the protection of the public health, the Department of Health of the State of New Jersey may promulgate regulations exempting such drug or device from such requirement.

g. If it purports to be a drug the name of which is recognized in an official compendium, unless it is packaged and labeled as prescribed therein; provided, that the method of packing may be modified with the consent of the State department. Whenever a drug is recognized in both the United States Pharmacopoeia and the Homeopathic Pharmacopoeia of the United States it shall be subject to the requirements of the United States Pharmacopoeia unless it is labeled and offered for sale as a homeopathic drug, in which case it shall be subject to the provisions of the Homeopathic Pharmacopoeia of the United States and not to those of the United States Pharmacopoeia.

h. If it has been found by the Department of Health of the State of New Jersey to be a drug liable to deterioration, unless it is packaged in such form and manner, and its label bears a statement of such precautions, as the Department of Health of the State of New Jersey may by regulations require as necessary for the protection of the public health. No such regulation shall be established for any drug recognized in an official compendium until the State department shall have informed the appropriate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

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i. (1) If it is a drug and its container is so made, formed or filled as to be misleading; or (2) if it is an imitation of another drug; or (3) if it is offered for sale under the name of another drug.

j. If it is dangerous to health when used in the dosage, or with the frequency or duration prescribed, recommended, or suggested in the labeling thereof.

k. If it is a depressant or stimulant drug as defined pursuant to law and not in the possession or control of a person specified by law as entitled to possession or control of such depressant or stimulant drug. Any depressant or stimulant drug misbranded under the preceding sentence shall be deemed dangerous or fraudulent for purposes of marking and detaining under the provisions of section 24:4-12 of this Title.¹

(cf: P.L.1966, c. 314, s. 8)

REPLACE SECTION 35 TO READ:

¹**[35.] 62.**¹ (New section) Consumer Protections.

a. Individuals and licensed ¹**[marijuana]** cannabis¹ establishments shall not be subject to arrest, prosecution, or penalty in any manner, or denied any right or privilege, including but not limited to civil liability or disciplinary action by a business, occupational, or professional licensing board or bureau, solely for conduct permitted under P.L. , c. (C.) (pending before the Legislature as this bill).

b. The presence of cannabinoid metabolites in the bodily fluids of a person engaged in conduct permitted under P.L. , c. (C.) (pending before the Legislature as this bill) by the following:

(1) a student, employee, or tenant, shall not form the basis for refusal to enroll or employ or lease to or otherwise penalize that person, unless failing to do so would put the school, employer, or landlord in violation of federal law or cause it to lose a federal contract or funding; and

(2) a patient shall not constitute the use of an illicit substance resulting in denial of medical care, including organ transplant, and a patient's use of ¹**[marijuana]** cannabis items¹ may only be considered with respect to evidence-based clinical criteria;

(3) a parent or legal guardian of a child or newborn infant, or a pregnant woman shall not form the sole or primary basis for any action or proceeding by the Division of Child Protection and Permanency, or any successor agencies.

REPLACE SECTION 36 TO READ:

¹**[36.] 63.**¹ (New section) a. Law enforcement agencies in New Jersey shall not cooperate with or provide assistance to the government of the United States or any agency thereof in enforcing the Controlled Substances Act, 21 U.S.C. 801 et seq., solely for actions consistent with P.L. , c. (C.) (pending before the Legislature as this bill), except pursuant to a valid court order.

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b. No agency or subdivision of an agency of the State of New Jersey may refuse to perform any duty under P.L. , c. (C.) (pending before the Legislature as this bill) on the basis that manufacturing, distributing, dispensing, possessing, or using any cannabis item or marijuana is prohibited by federal law.

c. The **1**[division] commission¹ may not revoke or refuse to issue or renew a license pursuant to section 21, 23, 24, or 25 of P.L. , c. (C.) (pending before the Legislature as this bill) on the basis that manufacturing, distributing, dispensing, possessing, or using any cannabis item or marijuana is prohibited by federal law.

REPLACE SECTION 37 TO READ:

1[37.] 64.¹ (New section) Contract Enforceability.

No contract shall be unenforceable on the basis that manufacturing, distributing, dispensing, possessing, or using any cannabis item or marijuana is prohibited by federal law. No contract entered into by a licensee, its employees, or its agents as permitted pursuant to a valid license issued by the **1**[division] commission¹, or by those who allow property to be used by a licensee, its employees, or its agents as permitted pursuant to a valid license issued by the **1**[division] commission¹, shall be deemed unenforceable on the basis that the actions or conduct permitted pursuant to the license are prohibited by federal law.

REPLACE SECTION 38 TO READ:

1[38.] 65.¹ (New section) Criminal Investigation.

a. None of the following shall, individually or in combination, constitute reasonable articulable suspicion of a crime:

(1) The odor of **1**[marijuana] cannabis¹ or burnt **1**[marijuana] cannabis¹;

(2) The possession of or the suspicion of possession of marijuana or hashish¹ without evidence of quantity in excess of **1**[one ounce] any amount that would exceed the amount of cannabis or cannabis resin which may be lawfully possessed pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), as the possession of that amount is presumed, pursuant to paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, to be the lawful possession of cannabis or cannabis resin in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill)¹; or

(3) The possession of marijuana or hashish¹ without evidence of quantity in excess of **1**[one ounce] any amount that would exceed the amount of cannabis or cannabis resin which may be lawfully possessed pursuant to section 4 of P.L. , c. (C.) (pending before the Legislature as this bill), in proximity to any amount of cash or currency ¹, as the possession of that amount is

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presumed, pursuant to paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, to be the lawful possession of cannabis or cannabis resin in accordance with the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill)¹.

b. Subsection a. of this section shall not apply when a law enforcement officer is investigating whether a person is driving under the influence of ¹a cannabis item or¹ marijuana or driving while impaired by ¹a cannabis item or¹ marijuana in violation of R.S.39:4-50 ¹, or section 5 of P.L.1990, c.103 (C.39:3-10.13) concerning operators of commercial motor vehicles¹.

INSERT NEW SECTIONS 66 THROUGH 69 TO READ:

¹66. Section 2 of P.L.1981, c.512 (C.39:4-50.4a) is amended to read as follows:

2. a. Except as provided in subsection b. of this section, the municipal court shall revoke the right to operate a motor vehicle of any operator who, after being arrested for a violation of R.S.39:4-50 or section 1 of P.L.1992, c.189 (C.39:4-50.14), shall refuse to submit to a test provided for in section 2 of P.L.1966, c.142 (C.39:4-50.2) when requested to do so, for not less than seven months or more than one year unless the refusal was in connection with a second offense under this section, in which case the revocation period shall be for two years or unless the refusal was in connection with a third or subsequent offense under this section in which case the revocation shall be for ten years. A conviction or administrative determination of a violation of a law of a substantially similar nature in another jurisdiction, regardless of whether that jurisdiction is a signatory to the Interstate Driver License Compact pursuant to P.L.1966, c.73 (C.39:5D-1 et seq.), shall constitute a prior conviction under this section.

The municipal court shall determine by a preponderance of the evidence whether the arresting officer had probable cause to believe that the person had been driving or was in actual physical control of a motor vehicle on the public highways or quasi-public areas of this State while the person was under the influence of intoxicating liquor or a narcotic, hallucinogenic, or habit-producing drug, or cannabis item as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill) or marijuana; whether the person was placed under arrest, if appropriate, and whether he refused to submit to the test upon request of the officer; and if these elements of the violation are not established, no conviction shall issue. In addition to any other requirements provided by law, a person whose operator's license is revoked for refusing to submit to a test shall be referred to an Intoxicated Driver Resource Center established by subsection (f) of R.S.39:4-50 and shall satisfy the same requirements of the center for refusal to submit to a test as provided for in section 2 of P.L.1966, c.142 (C.39:4-50.2) in connection with a first, second, third or subsequent offense under this section that must be satisfied by a person convicted of a commensurate violation of this section, or be

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subject to the same penalties as such a person for failure to do so. For a first offense, the revocation may be concurrent with or consecutive to any revocation imposed for a conviction under the provisions of R.S.39:4-50 arising out of the same incident. For a second or subsequent offense, the revocation shall be consecutive to any revocation imposed for a conviction under the provisions of R.S.39:4-50. In addition to issuing a revocation, except as provided in subsection b. of this section, the municipal court shall fine a person convicted under this section, a fine of not less than \$300 or more than \$500 for a first offense; a fine of not less than \$500 or more than \$1,000 for a second offense; and a fine of \$1,000 for a third or subsequent offense. The person also shall be required to install an ignition interlock device pursuant to the provisions of P.L.1999, c.417 (C.39:4-50.16 et al.).

b. For a first offense, the fine imposed upon the convicted person shall be not less than \$600 or more than \$1,000 and the period of license suspension shall be not less than one year or more than two years; for a second offense, a fine of not less than \$1,000 or more than \$2,000 and a license suspension for a period of four years; and for a third or subsequent offense, a fine of \$2,000 and a license suspension for a period of 20 years when a violation of this section occurs while:

(1) on any school property used for school purposes which is owned by or leased to any elementary or secondary school or school board, or within 1,000 feet of such school property;

(2) driving through a school crossing as defined in R.S.39:1-1 if the municipality, by ordinance or resolution, has designated the school crossing as such; or

(3) driving through a school crossing as defined in R.S.39:1-1 knowing that juveniles are present if the municipality has not designated the school crossing as such by ordinance or resolution.

A map or true copy of a map depicting the location and boundaries of the area on or within 1,000 feet of any property used for school purposes which is owned by or leased to any elementary or secondary school or school board produced pursuant to section 1 of P.L.1987, c.101 (C.2C:35-7) may be used in a prosecution under paragraph (1) of this subsection.

It shall not be relevant to the imposition of sentence pursuant to paragraph (1) or (2) of this subsection that the defendant was unaware that the prohibited conduct took place while on or within 1,000 feet of any school property or while driving through a school crossing. Nor shall it be relevant to the imposition of sentence that no juveniles were present on the school property or crossing zone at the time of the offense or that the school was not in session.¹

(cf: P.L.2009, c.201, s.5)

¹67. Section 1 of P.L.1983, c.307 (C.39:4-51a) is amended to read as follows:

1. a. A person shall not consume an alcoholic beverage or cannabis item as defined in section 3 of P.L. , c. (C.) (pending before

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the Legislature as this bill) while operating a motor vehicle. A passenger in a motor vehicle shall not consume an alcoholic beverage or cannabis item while the motor vehicle is being operated. This subsection shall not apply, with respect to the consumption of an alcoholic beverage, to a passenger of a charter or special bus operated as defined under R.S.48:4-1 or a limousine service.

b. A person shall be presumed to have consumed an alcoholic beverage or cannabis item in violation of this section if an unsealed container or package of an alcoholic beverage or cannabis item is located in the passenger compartment of the motor vehicle, the contents of the alcoholic beverage or cannabis item have been partially consumed and the physical appearance or conduct of the operator of the motor vehicle or a passenger may be associated with the consumption of an alcoholic beverage or cannabis item. For the purposes of this section, the term "unsealed" shall mean a container or package with its original seal broken, or a container or package that is not the original container or package such as a glass **[or]** , cup , box, bag, or wrapping.

c. For the first offense, a person convicted of violating this section shall be fined **[\$200.00]** \$200 and shall be informed by the court of the penalties for a second or subsequent violation of this section. For a second or subsequent offense, a person convicted of violating this section shall be fined **[\$250.00]** \$250 or shall be ordered by the court to perform community service for a period of 10 days in such form and on such terms as the court shall deem appropriate under the circumstances.¹

(cf: P.L.1999, c.356, s.20)

¹68. Section 6 of P.L.2000, c.83 (C.39:4-51b) is amended to read as follows:

6. a. All occupants of a motor vehicle located on a public highway, or the right-of-way of a public highway, shall be prohibited from possessing any open or unsealed container or package of an alcoholic beverage **[container]** or cannabis item as defined in section 3 of P.L. , c. (C.) (pending before the Legislature as this bill). This subsection shall not apply, with respect to the possession of an alcoholic beverage, to a passenger of a charter or special bus operated as defined under R.S.48:4-1 or a limousine service.

b. A person shall not be deemed to be in possession of an opened or unsealed container or package of an alcoholic beverage **[container]** or cannabis item pursuant to this section if such container or package is located in the trunk of a motor vehicle, behind the last upright seat in a trunkless vehicle, or in the living quarters of a motor home or house trailer. For the purposes of this section, the term "open or unsealed" shall mean a container or package with its original seal broken, or a container or package that is not the original container or package such as a glass **[or]** , cup, box, bag, or wrapping.

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c. For a first offense, a person convicted of violating this section shall be fined \$200 and shall be informed by the court of the penalties for a second or subsequent violation of this section. For a second or subsequent offense, a person convicted of violating this section shall be fined \$250 or shall be ordered by the court to perform community service for a period of 10 days in such form and on such terms as the court shall deem appropriate under the circumstances.¹

(cf: P.L.2000, c.83, s.6)

¹69. (New section) For two years next following the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), the Police Training Commission in the Department of Law and Public Safety shall reimburse the expenses incurred by any county or municipality for the training costs associated with the attendance and participation of a police officer from its law enforcement unit, as those terms are defined in section 2 of P.L.1961, c.56 (C.52:17B-67), in a program provided by an approved school, also defined in that section, which trains and certifies the police officer as a Drug Recognition Expert for detecting, identifying, and apprehending drug-impaired motor vehicle operators. A municipality or county seeking reimbursement shall apply to the commission, itemizing the costs, with appropriate proofs, for which reimbursement is requested and provide a copy of the certificate issued to the police officer to indicate the officer's successful completion of the program. If the municipality's or county's reimbursement request is approved, the commission shall provide the reimbursement from the "Law Enforcement Officers Training and Equipment Fund" established pursuant to section 6 of P.L.1996, c.115 (C.2C:43-3.3) or monies provided to the commission for its use pursuant to section 3 of P.L.1967, c.252 (C.52:17B-71.1).¹

REPLACE SECTION 39 TO READ:

¹**[39.] 70.**¹ (New section) ¹**[Marijuana Control and Regulation] Cannabis Regulatory and Expungement Aid Modernization**¹ Fund.

¹**a.**¹ All fees ¹**[,] and**¹ penalties ¹collected by the commission,¹ and ¹all¹ tax revenues collected by the Director of the Division of ¹**[Marijuana Enforcement] Taxation**¹ pursuant to the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) ¹and the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.),¹ shall be ¹**[forwarded to the State Treasurer for deposit] deposited**¹ in a special nonlapsing fund which shall be known as the "¹**[Marijuana Control and Regulation] Cannabis Regulatory and Expungement Aid Modernization**¹ Fund."

¹**b.**¹ Monies in the fund shall be used ¹**[exclusively for the operation of the Division of Marijuana Enforcement and for reimbursement of all additional costs of enforcement of the provisions of P.L. , c. (C.) (pending before the Legislature as this bill) incurred by the Department of the Treasury] by the commission to oversee the development, regulation, and enforcement of activities**

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associated with the personal use of cannabis pursuant to P.L. , c. (C.), and assume responsibility from the Department of Health for the further development and expansion, regulation, and enforcement of activities associated with the medical use of cannabis pursuant to the “New Jersey Compassionate Use Medical Cannabis Act,” P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.), as well as to defray costs, in an amount determined by the Legislature in the annual appropriations act or any other act, associated with the filing and review of applications for persons seeking expedited expungement relief pursuant to section 37 of P.L. , c. (C.) (pending before the Legislature as this bill) for a conviction of obtaining or possessing marijuana or hashish in violation of paragraph (3) or (4) of subsection a. of N.J.S.2C:35-10, which act of possession occurred prior to the enactment of P.L. , c. (C.) (pending before the Legislature as this bill), and any remaining revenue shall be deposited in the State’s General Fund¹.

OMIT SECTIONS 40 AND 41 IN THEIR ENTIRETY

REPLACE SECTION 42 TO READ:

¹**[42.]** 71.¹ (New section) ¹**[Retail Marijuana] Cannabis¹ Consumption ¹**[area] Area¹.** a. ¹(1)¹ A local governmental entity may authorize ¹, through the enactment of an ordinance,¹ the operation of ¹**[retail marijuana] locally endorsed cannabis¹ consumption areas ¹by cannabis retailers and alternative treatment centers¹ within its jurisdiction ¹**[through the enactment of an ordinance]** , at which areas the on-premises consumption of personal use, medical use, or both personal use and medical use cannabis may occur.****

(2) As further specified in subsection h. of this section, an endorsed cannabis consumption area shall be either: (a) an indoor, structurally enclosed area of a cannabis retailer or alternative treatment center that is separate from the area in which retail sales of cannabis items or the dispensing of medical cannabis occurs; or (b) an exterior structure on the same premises as the cannabis retailer or alternative treatment center, either separate from or connected to the retailer or center¹.

b. (1) If a local governmental entity authorizes the operation of ¹**[retail marijuana] cannabis¹ consumption areas, it may adopt an approval requirement that complies with the requirements of P.L. , c. (C.) (pending before the Legislature as this bill). ¹**[The local governmental entity may require additional or more stringent requirements than those provided in this section.]¹****

(2) Notwithstanding the provisions of this subsection, a local governmental entity shall not allow a ¹**[retail marijuana] cannabis¹ consumption area endorsement to a ¹**[marijuana] cannabis¹ retailer ¹or alternative treatment center¹ that is within 1,000 feet of a****

boundary with an adjoining jurisdiction that does not permit retail '[marijuana] cannabis' establishments in its boundaries.

c. The '[division] commission' may issue a '[retail marijuana] cannabis' consumption area endorsement only to a '[marijuana] retail licensee to sell retail marijuana, retail concentrate ,] cannabis retailer' or '[retail marijuana products for on-premises consumption] an alternative treatment center that has a permit to dispense medical cannabis to registered qualifying patients in accordance with the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), or is also deemed to have, pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7), as amended by P.L. , c. (C.) (pending before the Legislature Senate Committee Substitute for Senate Bill Nos. 10 and 2426), one or more Class 4 Cannabis Retailer licenses, and has been issued a license by the commission following receipt of written approval of the local governmental entity for operation of a cannabis retailer pursuant to subparagraph (a) of paragraph (3) of subsection a. of section 27 of P.L. , c. (C.) (pending before the Legislature as this bill), or has otherwise been issued one or more such licenses by the commission pursuant to P.L. , c. (C.) (pending before the Legislature as this bill). An endorsement to a cannabis retailer shall only permit the consumption of personal use cannabis at the retailer's consumption area. An endorsement to an alternative treatment center shall only permit the consumption of medical cannabis at the center's consumption area, unless the alternative treatment center is also issued a Class 4 Cannabis Retail license, in which case that alternative treatment center may permit the consumption of both personal use and medical use cannabis at the center's consumption area¹.

d. Applications for an endorsement pursuant to this section shall be made to the '[division] commission' on forms prepared and furnished by the '[division] commission' and shall set forth such information as '[division] the commission' may require. '[The information shall include the name and address of the applicant, the address of the licensed marijuana retail store and the endorsed premises, and any other information requested by the division]'. Each application shall be verified by the oath or affirmation of such person or persons as the '[division] commission' may prescribe. The endorsement is conditioned upon approval by a local governmental entity. An applicant is prohibited from operating a '[retail marijuana] cannabis' consumption area without State and local '[licensing authority] approval'. If the applicant does not receive approval from the local governmental entity within one year from the date of State '[licensing]' approval, the State endorsement expires and may not be renewed. If an application is denied by the local governmental entity or the approval of the local governmental entity is revoked, the '[division] commission' shall revoke the State endorsement. 'Any person aggrieved by the denial of an endorsement application may request a hearing in the Superior

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Court of the county in which the person's application was filed. The request for a hearing shall be filed within 30 days of the denial of the endorsement application. The person shall serve a copy of his request for a hearing upon the appropriate officer for the local government entity that denied the application. The hearing shall be held and a record made thereof within 30 days of the receipt of the application for a hearing. No formal pleading and no filing fee shall be required for the hearing.¹

e. ¹(1)¹ The ¹["division"] commission¹ shall deny a State endorsement if the premises on which the applicant proposes to conduct its business does not meet the requirements of P.L. , c. (C.) (pending before the Legislature as this bill) ¹or the "New Jersey Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.), as applicable,¹ or for reasons set forth in this section. The ¹["division"] commission¹ may revoke or deny an endorsement renewal ¹,¹ or reinstatement ¹,¹ or an initial endorsement for good cause.

¹(2)¹ For purposes of this subsection "good cause" means:

¹[(1)] (a)¹ the endorsed licensee or applicant has violated, does not meet, or has failed to comply with any of the terms, conditions, or provisions of this section, any rules promulgated pursuant to this section, or any supplemental local law, rules, or regulations;

¹[(2)] (b)¹ the endorsed licensee or applicant has failed to comply with any special terms or conditions that were placed on its endorsement pursuant to an order of the ¹["State"] commission¹ or local ¹["licensing authority"] governmental entity¹; or

¹[(3)] (c)¹ the premises have been operated in a manner that adversely affects the public health or the safety of the immediate neighborhood in which the establishment is located.

¹(3) Any commission decision made pursuant to this subsection shall be considered a final agency action for the purposes of the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.) and shall be subject only to judicial review as provided in the Rules of Court.¹

f. The ¹["retail marijuana"] cannabis¹ consumption area endorsement is valid for one year and may be renewed annually upon the renewal of the ¹["retail marijuana store"] cannabis retail licensee's¹ license ¹or the alternative treatment center's permit or retail license¹. The ¹["division"] commission¹ shall establish by rule the amount of the application fee and renewal fee for the endorsement ¹which shall not exceed the administrative cost for processing and reviewing the application¹.

g. The ¹["division"] commission¹ shall maintain a list of all ¹["retail marijuana"] cannabis¹ consumption areas in the State and shall make the list available on its website.

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h. ¹Except as otherwise specified, all requirements of the marijuana retail store apply to the retail marijuana consumption area.

i. ¹ A ¹retail marijuana cannabis¹ consumption ¹establishment shall be subject to the provisions of P.L.2005, c.383 (C.26:3D-55 et al.) the “New Jersey Smoke-Free Air Act.”

j. area on the premises of a cannabis retailer or alternative treatment center may be indoors or outdoors, and shall be designated by conspicuous signage indicating whether it may be used for the on-premises consumption of personal use or medical use cannabis, or both.

(1) An indoor consumption area shall be a structurally enclosed area within a cannabis retailer or alternative treatment center that is separated by solid walls or windows from the area in which retail sales of cannabis or the dispensing of medical cannabis occurs, shall only be accessible through an interior door after first entering the retailer or center, and shall comply with all ventilation requirements applicable to cigar lounges, as that term is defined in section 3 of P.L.2005, c.383 (C.26:3D-57), in order to permit indoor smoking that is the equivalent of smoking tobacco not in violation of the “New Jersey Smoke-Free Air Act,” P.L.2005, c.383 (C.26:3D-55 et seq.). Any consumption of cannabis items or medical cannabis shall not be visible from outside the cannabis retailer or alternative treatment center.

(2) An outdoor consumption area shall be an exterior structure on the same premises as the cannabis retailer or alternative treatment center, that is either separate from or connected to the retailer or center and that is not required to be completely enclosed, but shall have enough walls, fences, or other barriers to prevent any view of persons consuming personal use cannabis items or medical cannabis from any sidewalk or other pedestrian or non-motorist right-of-way, as the case may be, within the consumption area, and with respect to any consumption by smoking, the cannabis retailer or alternative treatment center operating the outdoor consumption area shall ensure that any smoking does not result in migration, seepage, or recirculation of smoke to any indoor public place or workplace, as those terms are defined in section 3 of P.L.2005, c.383 (C.26:3D-57).

i. ¹ An endorsed ¹cannabis retail¹ licensee ¹or alternative treatment center¹ and its employees ¹shall not¹ , subject to any regulations for cannabis consumption areas promulgated by the commission, may¹:

(1) permit a person to bring medical or retail ¹marijuana cannabis¹, medical or retail ¹marijuana cannabis¹ concentrate, a medical ¹marijuana cannabis¹-infused product, or a retail ¹marijuana cannabis¹-infused¹ product into a retail ¹marijuana cannabis¹ consumption area; ¹or¹

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(2) ¹ sell alcohol, including fermented malt beverages or malt, vinous, or spirituous liquor, sell tobacco or nicotine products, or allow the consumption of alcohol or tobacco or nicotine products on premises;

(3) operate as a retail food establishment;

(4) allow on-duty employees of the establishment to consume any medical or retail marijuana, medical or retail marijuana concentrate, medical marijuana-infused products, or retail marijuana products in the establishment; or

(5) ¹ allow distribution of free samples of medical or retail ¹ ~~["marijuana"]~~ cannabis¹, medical or retail ¹ ~~["marijuana"]~~ cannabis¹ concentrate, medical ¹ ~~["marijuana"]~~ cannabis¹-infused products, or retail ¹ ~~["marijuana"]~~ cannabis-infused¹ products in the ¹ ~~["establishment"]~~ consumption area¹.

¹ An endorsed cannabis retail licensee or alternative treatment center and its employees shall not sell alcohol, including fermented malt beverages or malt, vinous, or spirituous liquor, sell tobacco or nicotine products, or allow the consumption of alcohol or tobacco or nicotine products on premises, or operate as a retail food establishment. An endorsed cannabis retail licensee or alternative treatment center shall also not allow on-duty employees of the establishment to consume any medical or retail cannabis, medical or retail cannabis concentrate, medical cannabis-infused products, or retail cannabis-infused products in the establishment.¹

¹ ~~["k.] j.~~ ¹ A ¹ ~~["retail marijuana"]~~ cannabis¹ consumption area and its employees shall admit into the establishment only patrons who are at least 21 years of age ¹, and shall require each patron to produce a form of government-issued identification that may be accepted, pursuant to subparagraph (a) of paragraph (6) of subsection a. of section 16 of P.L. ¹, c. (C. ¹) (pending before the Legislature as this bill), in order to enter and be sold or served cannabis items in a cannabis establishment¹.

¹ ~~["l.] k.~~ ¹ (1) A ¹ ~~["retail marijuana"]~~ cannabis retailer or alternative treatment center operating a cannabis¹ consumption area shall limit a patron to ¹ ~~["one transaction of"]~~ ¹ no more than the sales limit set by the ¹ ~~["division"]~~ commission¹. A ¹ ~~["retail marijuana"]~~ cannabis retailer or alternative treatment center operating a cannabis¹ consumption area shall not engage in multiple sales transactions to the same patron during the same business day when the establishment's employee knows or reasonably should have known that the sales transaction would result in the patron possessing more than the sales limit established by the ¹ ~~["division"]~~ commission¹. A patron may leave the ¹ ~~["establishment"]~~ consumption area¹ with ¹ ~~["any"]~~ ¹ product that he does not consume ¹ ~~["only if, prior to leaving the premises, the product is packaged and labeled pursuant to the requirements of P.L. ¹, c. (C. ¹) (pending before the Legislature as this bill)"]~~ ¹.

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(2) When a patron leaves a ~~retail marijuana~~ cannabis consumption area, the establishment shall destroy any remaining unconsumed retail ~~marijuana~~ cannabis, retail ~~marijuana~~ cannabis concentrate, ~~or~~ retail ~~marijuana~~ cannabis-infused products ~~, or medical cannabis~~ that ~~are~~ is not taken by a patron pursuant to paragraph (1) of this subsection.

~~m.] l.~~ A ~~retail marijuana~~ cannabis consumption area and its employees:

(1) shall operate the establishment in a decent, orderly, and respectable manner and shall not serve any patron who displays any visible signs of intoxication;

(2) may remove an individual from the establishment for any reason, including a patron who displays any visible signs of intoxication;

(3) shall not knowingly permit any activity or acts of disorderly conduct; and

(4) shall not permit rowdiness, undue noise, or other disturbances or activity offensive to the average citizen or to the residents of the neighborhood in which the ~~licensed establishment~~ consumption area is located ~~;~~ and

(5) shall not allow the use of any device using any liquid petroleum gas, a butane torch, a butane lighter, or matches in the establishment~~]~~.

~~n.] m.~~ A ~~retail marijuana~~ cannabis consumption area and all of its employees who work at the endorsed premises shall successfully complete ~~an annual~~ any responsible vendor training program established in regulation by the commission.

~~o.] n.~~ A ~~retail marijuana~~ cannabis consumption area shall provide , if required by the commission, information regarding the safe consumption of ~~retail marijuana, retail marijuana concentrate, or a retail marijuana product~~ cannabis at the point of sale to all patrons who make a purchase ~~such a~~ product. The requirements for such information shall be established by the division, established pursuant to P.L. , c. (C.) (pending before the Legislature as this bill). The content of the information on health and safety shall be based on the relevant research from the panel of health care professionals appointed pursuant to P.L. , c. (C.) (pending before the Legislature as this bill)~~]~~.

~~p.]~~ A local governmental entity may require information regarding the safe consumption of retail marijuana concentrate or a retail marijuana product in addition to that required by this section.

~~q.] o.~~ The information required by this section shall be maintained on the endorsed premises for inspection by State and local ~~licensing~~ endorsing authorities and law enforcement.

~~r.]~~ The establishment shall ensure that the display and consumption of any retail marijuana, retail marijuana concentrate,

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or retail marijuana product is not visible from outside of the establishment.

s.1 p.1 If an emergency requires law enforcement, firefighters, emergency medical services providers, or other public safety personnel to enter a 1[retail marijuana] cannabis1 consumption area, employees of the establishment shall cease all on-site sales and prohibit on-site consumption until such personnel have completed their investigation or services and have left the premises.

OMIT SECTION 43 IN ITS ENTIRETY

INSERT NEW SECTION 72 TO READ:

172. (New section) Consuming, including by smoking, any cannabis item available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory and Expungement Aid Modernization Act,” P.L. , c. (C.) (pending before the Legislature as this bill), is prohibited in any area of any building of, on the grounds of, or in any facility owned, leased, or controlled by, any public or private institution of higher education or a related entity thereof, regardless of whether the area or facility is an indoor place or is outdoors. As used in this subsection “related entity” includes, but is not limited to, the foundation, auxiliary services corporation, or alumni association, or any subsidiary thereof, an institution of higher learning. Any penalties that may be assessed for the smoking of tobacco where prohibited under the “New Jersey Smoke-Free Air Act,” P.L.2005, c.383 (C.26:3D-55 et seq.), shall be applicable to the consumption of cannabis where prohibited by this section.1

OMIT SECTIONS 44 AND 45 IN THEIR ENTIRETY

INSERT NEW SECTION 73 TO READ:

173. (New section) If any clause, sentence, paragraph, section, or part of P.L. , c. (C.) (pending before the Legislature as this bill) shall be adjudged by any court of competent jurisdiction to be unconstitutional or otherwise invalid, that judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section, or part thereof directly involved in the controversy in which the judgment shall have been rendered.1

REPLACE SECTION 46 TO READ:

1[46.] 74.1 This act shall take effect as follows:
a. sections 1 through 1[40], and sections 42 through 45 shall take effect 180 days after enactment except the Director of the Division of Marijuana Enforcement may take such anticipatory action as may be necessary to effectuate the provisions of this act1

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3, 7 through 17, 19, 22, 28, 31, 40, 45 and 46, 49 through 52, 60 and 61, 69, and 73 shall take effect immediately¹; ~~and~~¹

b. ~~section 41~~ sections 4 through 6, 18, 20 and 21, 23 through 27, 29 and 30, 32 through 39, 41 through 44, 46 and 47, 52 through 58, 61 through 67, and 69 through 71¹ shall take effect immediately, but shall ~~expire 180 days after enactment~~ only become operative upon adoption of the commission's initial rules and regulations pursuant to subparagraph (a) of paragraph (1) of subsection d. of section 8 of P.L. , c. (C.) (pending before the Legislature as this bill); and

c. The Attorney General, Commissioner of Health, and Commissioner of Banking and Insurance, and once constituted and organized, the Cannabis Regulatory Commission, may take such anticipatory administrative action as may be necessary to effectuate the provisions of P.L. , c. (C.) (pending before the Legislature as this bill)¹.

REPLACE SYNOPSIS TO READ:

“New Jersey Cannabis Regulatory and Expungement Modernization Act”; legalizes personal use cannabis for adults; creates Cannabis Regulatory Commission to regulate personal use and medical cannabis; provides expungement relief for past marijuana offenses.

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