



State of New Jersey
CANNABIS REGULATORY COMMISSION

PHILLIP D. MURPHY
Governor

P.O. BOX 216
TRENTON, N.J. 08625-0216

DIANNA HOUEYOU, *Chair*
SAMUEL DELGADO, *Vice Chair*
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MARIA DEL CID-KOSSO, *Commissioner*
CHARLES BARKER, *Commissioner*
JEFF BROWN, *Executive Director*

TAHESHA L. WAY
Lt. Governor

RESOLUTION 2024-232
IMPOSITION OF SANCTIONS AGAINST URB'N DISPENSARY

WHEREAS, the New Jersey Cannabis Regulatory Commission (“the Commission”), established pursuant to P.L.2019, c.153, known and cited as the “Jake Honig Compassionate Use Medical Cannabis Act,” (the “Jake Honig Act”) is charged with implementing the provisions of the Jake Honig Act as well as P.L.2021, c.16, known and cited as the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act” (the “CREAMM Act”); and

WHEREAS, pursuant to N.J.S.A. 24:6I-35(a)(15), the Commission shall adopt rules and regulations, which shall include civil penalties for the failure to comply with regulations adopted pursuant to this section; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.4(a), during an onsite assessment, a review of financial records, or other Commission review of the license holder and its operations, if the Commission identifies a violation of the Act or this chapter, the Commission shall provide notice of the violation, including an official written report of the findings and the nature of the violation, to the cannabis business or testing laboratory within seven business days following the onsite assessment or other identification of the violation; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.4(b), unless otherwise specified by the Commission, within 20 business days of receipt of the notice of violation, the cannabis business or testing laboratory shall correct the violation(s) and notify the Commission, in writing, of any corrective actions taken to correct the violations, and the date of implementation of such corrective actions; and

WHEREAS, pursuant to N.J.A.C. 17:30-9.12(a), “[a] cannabis business shall limit access to cannabis item storage areas to the minimum number of authorized personnel necessary to maintain safe and orderly operations.... The cannabis business shall, in its standard operating procedures, identify the personnel with authorization to access the storage area”; and

WHEREAS, pursuant to N.J.A.C. 17:30-9.12(b), “[e]ach cannabis business shall securely store finished usable cannabis and cannabis products that are ready for sale in a locked area, which may include a locked room, cage, or safe, with adequate security and limited access.” “Adequate security,” at a minimum, shall be assessed, established, and maintained based on:

1. The quantity of cannabis items kept on-hand;
2. The cannabis business's inventory system for tracking and distributing cannabis items;

3. The number of owners, principals, employees, volunteers, management services contractor staff, or vendor-contractors who have or could have access to the cannabis items;
4. The geographic location of the cannabis business and its associated environmental characteristics, such as the remoteness of the premises from local populations and the relative level of crime associated with the area;
5. The scope and sustainability of the security alarm system; and
6. The findings of root cause analyses of any breaches of security and/or inventory discrepancies for cannabis items at that location; and

WHEREAS, pursuant to N.J.A.C. 17:30-14.7, “[a]ll cannabis items shall be stored in an enclosed indoor, locked area pursuant to N.J.A.C. 17:30–9.12 where access to such area is limited to an owner, principal, employee, or volunteer of a license holder or staff members of a license holder's management services contractor that possesses a Cannabis Business Identification Card when acting in their official capacity”; and

WHEREAS, on February 29, 2024, a Notice of Violation was issued to URB’N Dispensary for two regulatory violations that occurred at the entity’s Newark dispensary. Despite having received prior warning, URB’N Dispensary failed over a period of multiple days to properly secure their storage area, leaving the cage door open during operating hours when no employees had need or use for storage area access; and

WHEREAS, on March 4, 2024, URB’N Dispensary responded to the Notice of Violation and provided a corrective action plan within 20 days of receipt of the Notice of Violation; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.5(a), “[i]n response to a violation of any provision of the Act or this chapter, the Commission is authorized to take enforcement action or impose sanctions upon a license holder. Sanctions may include, but are not limited to, civil monetary penalties; suspension, revocation, non-renewal, or denial of a license; referral to State or local law enforcement, pursuant to N.J.A.C. 17:30-20.6, 20.7, and 20.8; or any combination thereof”; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.6(b), a monetary penalty imposed by the Commission on a license holder pursuant to this subchapter may not exceed \$500,000 per major violation or \$50,000 per any other license violation; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.6(c), a violation by each entity or person per day shall constitute a separate incident for purposes of calculating the number of violations; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.6(d), the Commission may impose greater penalties for successive violations up to the maximum amounts; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.6(f), the Commission may, in the Commission's sole discretion, consider additional factors in determining the penalty for each violation. Such factors may include, but are not limited to:

1. Any prior violations that the license holder has admitted to or was found to have engaged in;

2. Good faith measures by the license holder to self-report or prevent the violation;
3. The license holder's record of compliance with the laws and rules pertaining to personal use cannabis;
4. Corrective action(s) taken by the license holder related to the current violation or prior violations;
5. Willfulness and deliberateness of the violation;
6. Likelihood of reoccurrence of the violation; and
7. Violations involving damage or danger to the life, health, welfare, safety, or property of any person; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.7(a), violations shall be categorized as follows:

1. Category I, which is the exhibition of a pattern and practice of violating the requirements of the rules, posing a serious risk of harm to the health, safety, or welfare of consumers or personnel;
2. Category II, which is the failure to comply with administrative requirements, such that the licensee or permittee poses an immediate and serious risk of harm or actual harm to the health, safety, or welfare of consumers, personnel, or the general public, including, but not limited to, transfer of cannabis to a person under 21 years of age;
3. Category III, which is the submission of fraudulent, false, or misleading information, as to a material fact, to the Commission, or falsifying or concealing any record required to be maintained by the license holder;
4. Category IV, which is the failure of any owner, principal, management services contractor, employee, or volunteer of a cannabis business license holder or testing laboratory to register with the Commission and be issued a Cannabis Business Identification Card; or failure to complete training course, or failure to be in physical possession of their Cannabis Business Identification Card while acting in the course of their duties; and
5. Category V, which shall consist of other violations of the Commission's rules, or violations of valid ordinances established by municipalities that do not constitute a major violation; and

NOW, THEREFORE, BE IT RESOLVED by the New Jersey Cannabis Regulatory Commission that U'RBN Dispensary has failed to properly secure their storage area, which is a violation of the Commission's regulations. Thus, U'RBN Dispensary is subject to the imposition of sanctions as a result of the cited violations. The Commission further finds that the violations did not pose an immediate and serious risk of harm or actual harm to the health, safety, or welfare of consumers, personnel, or the general public.

The Commission has determined to impose a penalty of \$0.00 against U'RBN Dispensary pursuant to N.J.A.C. 17:30-20.6 and -20.7. A Notice of Enforcement Action shall be provided to the license holder in accordance with this Resolution and the Commission's regulations.

Pursuant to 17:30-20.6(i), the license holder may request an adjudicatory hearing pursuant to the Administrative Procedure Act, N.J.S.A. 52:14B-1 et seq., and 52:14F-1 et seq., to contest the Commission’s imposition of a civil monetary penalty for any license violation within 14 days of receipt of the notice of enforcement action.

Submitted by:



Dianna Houenou, Chair

CERTIFICATION

I hereby certify that the foregoing is a true copy of the Resolution adopted by the Cannabis Regulatory Commission at its meeting held on the 11th day of April 2024.



Christopher Riggs, Chief Counsel

Vote on the Approval of This Resolution	Motion	Second	Yes	No	Abstain	Absent
Commissioner Barker				X		
Commissioner Del Cid-Kosso		X	X			
Vice Chair Delgado						X
Chairwoman Houenou	X		X			
Commissioner Nash			X			