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DIANNA HOUENOU, Chair
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KRISTA NASH, Commissioner
MARIA DEL CID-KOSSO, Commissioner
CHARLES BARKER, Commissioner
CHRIS RIGGS, Acting Executive

Director

RESOLUTION 2024-<u>257</u> DELEGATION OF AUTHORITY TO ACT ON A FAILURE TO PAY REQUISITE FEES BY LICENSEES AND ON APPLICATIONS FOR NAME CHANGES

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," ("Honig Act") is charged with implementing the provisions of the 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" ("CREAMM Act"); and

WHEREAS, the Commission continuously receives notice of licensees and/or awardees that have failed to pay the requisite fees pursuant to N.J.A.C. 17:30-7.17 and their Final Agency Decision letter, and the Commission must decide whether to deny the license and/or license application; and

WHEREAS, the Commission continuously receives applications for amendments to an Alternative Treatment Center ("ATC") permit and/or changes to an adult-use cannabis license or award due to a name change, which similarly requires the Commission to approve or deny; and

WHEREAS, pursuant to N.J.S.A. 24:6I-24(c)(1), the Commission has established a plan of organization under the direct supervision of a full-time Executive Director for the Commission; and

WHEREAS, pursuant to N.J.S.A. 24:6I-24(e), the Commission may designate its powers and authority as it deems necessary and appropriate to carry out its duties and implement the provisions of the Honig Act and the CREAMM Act; and

WHEREAS, the Commission approved and adopted a set of bylaws on January 27, 2022, of which section 3.12 allows the Commission to delegate authority to one of more members of the Commission's staff as it deems necessary and appropriate to carry out its duties and statutory obligations; and

WHEREAS, on August 19, 2021, the Commission adopted rules pursuant to N.J.S.A. 24:6I-35(a)(1) that established the licensure process for cannabis businesses and testing laboratories; and

WHEREAS, N.J.A.C. 17:30-6 through -7 outline the application process and requirements

for both conditional license applicants and annual license applicants, including eligibility requirements; and

WHEREAS, after approval of licensure, licensees are required to pay license fees for conditional and conditional conversion to annual licenses, as set forth in their Final Agency Decision letter and pursuant to N.J.A.C. 17:30-7.17; and

WHEREAS, licensees must pay the license fee invoice noted in their Final Agency Decision within thirty (30) days; and

WHEREAS, if the license fee invoice is unpaid after thirty (30) days, the Commission will issue the licensee a 30-day notice to pay the invoice; and

WHEREAS, if the licensee fee invoice is unpaid after sixty (60) days, the licensee will be issued a notice of denial recommendation, and the Commission will deny the conditional or annual license application for failing to satisfy the requirements set forth in the regulations and the terms of the applicant's Final Agency Decision Letter; and

WHEREAS, pursuant to N.J.A.C. 17:30A-7.8(a)(3), the Commission has the authority to approve or deny an application for amendment to an ATC permit due to changes to the ATC's name; and

WHEREAS, pursuant to N.J.A.C. 17:30-9.2(a)(6), the Commission may approve or deny an application for an amended adult-use cannabis license due to changes to the business's name; and

WHEREAS, the Commission has determined that the decision to deny license applications for failure to pay requisite fees within sixty (60) days from invoice, and decisions regarding applications for a change of name concerning ATCs and personal-use cannabis businesses, can be appropriately reviewed and acted on by Commission staff with relevant experience; and

WHEREAS, the Commission has determined that it is in the public interest to streamline Commission business and create greater operational efficiency by designating to the Executive Director or his designee the Commission's authority to accept, review, and act on the aforementioned items under the Commission's regulations;

NOW, THEREFORE, BE IT RESOLVED, by the New Jersey Cannabis Regulatory Commission, that the authority to make decisions regarding applications that have failed to pay the requisite fees, and to process applications for a name change for ATCs and personal-use cannabis businesses, is delegated to the Executive Director or his designee as follows;

- 1. The Executive Director, or his designee, shall have the authority to deny licenses or license applications for a failure to pay the requisite fees in accordance with N.J.A.C. 17:30-7.17 and the terms of the applicant's Final Agency Decision letter.
- 2. The Executive Director, or his designee, shall have the authority to approve or deny applications from ATCs or personal-use cannabis businesses to amend their permit and or their license to reflect a name change pursuant to N.J.A.C. 17:30A-7.8(a)(3) and

N.J.A.C. 17:30-9.2(a)(6). Nothing in this Resolution shall be construed to affect the requirements or restrictions on the use of business names as provided in N.J.A.C. 17:30-9.4 and -9.5.

The Executive Director, or his designee, shall, as soon as practicable, notify the Commission's Board of any decisions made pursuant to the authority(ies) delegated by this Resolution and provide the Board with any materials relied upon for decision-making.

The authorities delegated herein shall take effect immediately and shall remain in effect until modified or rescinded by the Commission.

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 18th day of July 2024.

Dave a Cusson, Chief Counsel

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