

RECOMMENDATION REPORT

MEETING DATE: 2/18/2025 | **TOTAL REC.** #: 2 | **REPORT DATE**: 1/9/2025

TO: Cannabis Regulatory Commission Board FROM: Christopher Riggs, Acting Executive Director

BACKGROUND

On August 19, 2021, the New Jersey Cannabis Regulatory Commission (herein referenced as the "Commission" or "CRC") adopted rules pursuant to P.L. 2021, C.16 which established the licensure process for cannabis businesses and testing laboratories.

This memo outlines the process and recommendations concerning applications for conversion from microbusiness to a standard business.

PROCESS OVERVIEW

To review applications by microbusinesses to convert to a standard cannabis business, the CRC has developed an application review process that aligns with the authorizing statutes and the CRC's regulations. The process includes the following steps:

- 1. Operational Timeline– Applications are reviewed to ensure that the applicant has been operational for at least one year prior to applying for conversion.
- 2. Good Standing Applications are reviewed to ensure that the applicant has been in good standing with the CRC.
- 3. Completeness Review Applications are reviewed for completeness to ensure everything required by the CRC's regulations is included in the application, and all necessary fees have been paid. If an application is deemed incomplete, it is marked for rejection and curing.
- 4. Quality Control Any application that is deemed eligible for approval following a completeness review is then given a quality control review to ensure that the determination is accurate.
- 5. Recommendation to the CRC Board Applications that pass a quality control check are then recommended for approval to the board.

RECOMMENDATION AND JUSTIFICATION

It is recommended that the applications listed below be presented to the Board of Commissioners for the New Jersey Cannabis Regulatory Commission for conversion from microbusiness to standard business. The below-listed applicants have satisfied the requirements as set forth in CRC's regulations and are in good standing. Each of the below-listed applicants has been operational for at least one (1) year and has paid the required submission fee of \$200.



Standard Conversion App ID	Applicant Business Name	Priority	DOB Category	Business Type	License Expiration Date	Operational Date	Update Request Submission Date
15252	Daylite Cannabis LLC	1C		Retailer	8/24/2025	9/12/2023	10/11/2024
18498	The Cannabis Clubhouse, LLC	2C	WBE	Retailer	12/21/2025	1/8/2024	1/7/2025



RECOMMENDATION SUMMARY

Chief Counsel

The two (2) applications of microbusinesses seeking to convert to standard cannabis businesses listed above have been deemed complete and have been reviewed for potential approval. They have also been reviewed for license-holder qualification provisions and for license-holder limitations. All recommended approvals have been deemed qualified to convert to a standard cannabis business following this review, including probity and criminal history background check, if applicable.

CRC staff have determined that these applications are eligible for approval by the CRC. Therefore, CRC staff recommend that the CRC Board approve these microbusinesses for conversion to a standard cannabis business.

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Director of Licensing Megan Tagliaferri	Director of Compliance and Investigations Paul Urbish		
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