



State of New Jersey

CANNABIS REGULATORY COMMISSION

P.O. BOX 216

TRENTON, N.J. 08625-0216

MIKIE SHERRILL
Governor

DR. DALE G. CALDWELL
Lt. Governor

HARRIS LAUFER, *Chair*
JACQUELINE FERRARO, *Vice Chair*
AMELIA MAPP, *Commissioner*
KRISTA NASH, *Commissioner*
SEAN KENNEDY, *Commissioner*
CHRIS RIGGS, *Acting Executive Director*

RESOLUTION 2026-07-16-18 **IMPOSITION OF SANCTIONS BRUTE'S ROOTS LLC**

WHEREAS, pursuant to N.J.S.A. 24:6I-35(a)(15), the New Jersey Cannabis Regulatory Commission ("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 Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, P.L.2021, c.16, N.J.S.A. 24:6I-31 et seq., (the "Act") or the implementing Personal-Use Cannabis Rules (the "Personal-Use Regulations"), 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.S.A. 24:6I-35a.(7)(a)(i), labeling and packaging requirements for cannabis items sold or distributed by a cannabis establishment, including, but not limited to, the affixing of a tracking stamp to containers or packaging as set forth in section 29 of P.L.2019, c.153 (C.24:6I22) and requirements that:

(a) Cannabis items and cannabis paraphernalia are not packaged, branded, or marketed using any statement, illustration, or image that:

(i) Includes false, deceptive, or misleading statements; and

WHEREAS, pursuant to N.J.S.A. 24:6I-35a.(7)(d)(viii), labeling and packaging requirements for cannabis items sold or distributed by a cannabis establishment, including, but not limited to, the affixing of a tracking stamp to containers or packaging as set forth in section 29 of P.L.2019, c.153 (C.24:6I22) and requirements that:

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

(viii) Warning labels that include the nationwide toll-free telephone number used to access

poison control centers that is maintained in accordance with 42 U.S.C. s.300d-71, as well as include, but are not limited to, one or more of the following statements, if applicable to a particular cannabis item: "This product is intended for use by adults 21 years of age or older. Keep out of the reach of children"; and

WHEREAS, pursuant to N.J.A.C. 17:30- 16.3(a), a cannabis manufacturer shall ensure each package of unusable or usable cannabis or cannabis product contains all information set forth and printed directly on the package, affixed with a complaint label before transfer to another cannabis business; and

WHEREAS, pursuant to N.J.A.C. 17:30- 16.3(b)(5), direct printing on the package of, or labels affixed to, unusable cannabis packaged for the purposes of manufacturing of cannabis items shall include the following consumer safety and product information:

5. A sequential serial number, batch or lot number, and bar code to identify the batch or lot associated with cultivation or manufacturing; and

WHEREAS, pursuant to N.J.A.C. 17:30-16.3(c)(1)(ii), labels affixed to cannabis items shall contain the following consumer warnings, as applicable, in no less than six-point font, unless otherwise noted:

1. For all finished cannabis items:
 - ii. "This product is intended for use by adults 21 years of age or older and not for resale. Keep out of the reach of children"; and

WHEREAS, pursuant to N.J.A.C. 17:30- 16.3(d), the cannabis business shall submit the label and any required form to the Commission for recordkeeping; and

WHEREAS, pursuant to N.J.A.C. 17:30-16.5(a)(1), the packaging and labeling of cannabis items shall not contain any:

1. Statement, illustration, or image that includes false, deceptive, or misleading statements or promotes overconsumption; and

WHEREAS, pursuant to N.J.A.C. 17:30- 11.12(a)(1) and (5), a cannabis manufacturer shall designate a manufacturing supervisor who will be responsible for ensuring compliance with this subchapter, including ensuring that:

1. Cannabis products have been properly prepared, labeled, controlled, stored, sold, and distributed in accordance with the provisions of this standard;
2. All aspects of the manufacturing process are documented and that accurate manufacturing records for all cannabis products prepared by the cannabis manufacturer are maintained;
3. Manufacturing personnel are capable of, and qualified to perform, their assigned duties;
4. Ingredients used in manufacturing have their expected identity, strength, quality, and purity consistent with the requirements in this standard;
5. Cannabis products are manufactured with acceptable strength, quality, and purity, are packaged with appropriate packaging and labeling, and are prepared in accordance with good manufacturing practices pursuant to 21 CFR Parts 110 and 210, as applicable;
6. Critical processes are recorded and validated to ensure that procedures will consistently result in the expected strength, quality, and purity in the finished cannabis products;
7. The manufacturing environment is suitable for its intended purpose;

8. Appropriate stability testing pursuant to N.J.A.C. 17:30-19.5 is performed, or is determined from literature, for establishing reliable expiration dating to ensure that the finished cannabis products have their expected strength, quality, and purity, at least until the labeled expiration date;
9. Manufacturing conditions and standard operating procedures are in place to minimize the potential for errors; and
10. Adequate procedures and records exist for investigating and correcting failures or problems in manufacturing, quality control, or in the cannabis product itself; and

WHEREAS, pursuant to N.J.A.C. 17:30-16.3(b)(6), a list of any other inactive or excipient ingredients besides unusable or usable cannabis or cannabis concentrate used to manufacture a cannabis product or contained within the package; for non-TCS food items, this includes a list of ingredients in descending order of predominance by weight or volume, as applicable, and a nutritional label; and

WHEREAS, pursuant to N.J.A.C. 17:30-8.1(a), every owner, principal, management services contractor, employee, or volunteer of a cannabis business license holder or a testing laboratory that accesses the premises of a cannabis business or handles cannabis on behalf of a license holder or testing laboratory and every cannabis handler pursuant to N.J.S.A. 24:6I-44.a shall be required to register with the Commission and be issued a Cannabis Business Identification Card; and

WHEREAS, pursuant to N.J.A.C. 17:30- 9.10(a), each cannabis business shall provide effective controls and procedures to guard against unauthorized access to the cannabis business premises or the cannabis business's electronic systems, theft, and diversion of cannabis. Such controls may include, but are not limited to, systems to protect against electronic records tampering; and

WHEREAS, pursuant to N.J.S.A. 24:6I-35a.(8)(g)(i), health and safety regulations and standards for the cultivation of cannabis, and the manufacture and sale of cannabis items, including, but not limited to, requirements that:

- (g)(i) Set appropriate dosage, potency, and serving size limits for cannabis items, provided that a standardized serving of a cannabis product shall be no more than 10 milligrams of active THC and no individual edible cannabis product for sale shall contain more than 100 milligrams of active THC; and

WHEREAS, pursuant to N.J.A.C. 17:30-11.5(d)(2), a cannabis manufacturer shall manufacture cannabis products such that each package of finished cannabis product shall, for ingestible products, contain no more than 100mg of active THC; and

WHEREAS, pursuant to N.J.A.C. 17:30-11.13(b)(2), a cannabis manufacturer shall maintain a manufacturing record for each cannabis product; the record shall contain the following information:

2. Verification that the ingredients comply with the master formulation record; and

WHEREAS, Brute's Roots LLC ("Brute's Roots") failed to adhere to the statute and Personal-Use Regulations as it relates to utilizing authorized packaging and labeling on products, allowing unauthorized individuals to access business systems, and exceeding allowable THC limits on products; and

WHEREAS, on May 21, 2026, a Notice of Violation was issued to Brute's Roots; and

WHEREAS, Brute's Roots provided a corrective action plan to the Notice of Violation; and

WHEREAS, pursuant to N.J.A.C. 17:30-20.5(a), in response to a violation of any provision of the Act or applicable regulations, 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;

NOW, THEREFORE, BE IT RESOLVED by the New Jersey Cannabis Regulatory Commission that Brute's Roots violated the statute and Personal-Use Regulations by utilizing authorized packaging and labeling on products, allowing unauthorized individuals to access business systems, and exceeding allowable THC limits on products.

The Commission has determined to impose a penalty of **\$125,000.00** against Brute's Roots pursuant to violations of the regulations. A Notice of Enforcement shall be provided to the license holder in accordance with this Resolution and the Commission's regulations.

Pursuant to N.J.A.C. 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:



Harris Laufer, 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 16th day of July 2026.



Arundhati Mohankumar, Chief Counsel

Vote on the Approval of This Resolution	Motion	Second	Yes	No	Abstain	Absent	Recusal
Chair Laufer			X				
Vice Chair Ferraro			X				
Commissioner Nash	X		X				
Commissioner Mapp		X	X				
Commissioner Kennedy			X				