

MEMORANDUM

TO: CANNABIS REGULATORY COMMISSION BOARD
FROM: CHRISTOPHER RIGGS, ACTING EXECUTIVE DIRECTOR
SUBJECT: REGULATION WAIVER REQUESTS
DATE: AUGUST 6, 2026

BACKGROUND: Over the course of the prior months, adult use licensees and medicinal operators have submitted requests for the Commission to waive specific regulations. This memorandum will outline those specific requests, and will also provide recommendations.

AUTHORITY: Pursuant to N.J.A.C. 17:30-3.7(a) and N.J.A.C. 17:30A-7.11, The Commission, in accordance with the general purposes and intent of the Act and this chapter, may waive a regulatory requirement regarding the operations of a cannabis business, to the extent such waiver does not conflict with any other State law, if in the Commission's determination, such a waiver: 1. Is necessary to achieve the purpose of the Act; 2. Is necessary to provide access to cannabis items to consumers; and 3. Does not create a danger to the public health, safety, or welfare.

REQUESTS:

1. Requested Waiver of N.J.A.C. 17:30-14.3(a)

Docket number WR063: Township Green LLC ("Township Green"), a Class 5 Retail license holder, requests a waiver of the regulatory requirement that cannabis retail personnel must verify a consumer's photographic identification to confirm that the consumer is of a legal age to purchase cannabis before the consumer can enter a cannabis retailer premises. Township Green explains that its dispensary has both a front and rear entrance, with the rear entrance primarily used by customers accessing the parking lot or public transportation. Township Green asserts that it is cost prohibitive to station personnel at the rear entrance at all times to conduct photographic identification verification, explaining that staff are typically on the sales floor assisting consumers and processing transactions, which prevents them from consistently monitoring the rear entrance. This occasionally results in consumers leaving before their identification can be verified, resulting in a loss of sales. Township Green further states that it is currently operating at a loss and cannot hire personnel to be dedicated to rear entrance identification verification. Township Green seeks the Commission's approval to allow consumers to enter through the rear entrance without the required identification verification, with the understanding that the identification verification would instead be verified at the point of sale prior to the completion of any transaction. Township Green asserts that this approach ensures no underage consumer is able to purchase cannabis, allows the dispensary to remain operational, and does not pose a risk to public health, safety, or welfare. It should be noted that pursuant to N.J.A.C. 17:30-14.3(a) and N.J.S.A. 24:6I-35(a)(6) the

verification of a consumer's identification is also required prior to selling cannabis items to consumers.

RECOMMENDATION FOR WR063: Waiving the regulatory requirement that cannabis retail personnel must verify a consumer's photographic identification to confirm that the consumer is of a legal age to purchase cannabis, before the consumer can enter a cannabis retailer premises [REDACTED]

2. Requested Waiver of N.J.A.C. 17:30-16.1(f)

Docket number WR064: Sussex Cultivation LLC ("Sussex Cultivation"), a Class 1 Cultivator license holder, requests a waiver of the regulatory requirement that when the cannabis cultivator or cannabis manufacturer receives a written report confirming that the test results of the representative sample do not meet specifications, the cannabis cultivator or cannabis manufacturer shall not sell the batch or lot to another cannabis business and shall destroy the batch or lot or dispose of it by rendering it unrecoverable and unrecognizable, with the following exception: 2. The cannabis business may retest and remediate pursuant to N.J.S.A. 24:6I-35.a(13)(c).

Sussex Cultivation explains that between April 21, 2026, and May 14, 2026, it sent cannabis concentrates intended for use in its products to licensed testing laboratories. The laboratory tests indicated that the concentrate contained elevated levels of Piperonyl Butoxide and Pyrethrins, exceeding permissible limits. Sussex Cultivation states that it subsequently remediated the concentrate using its CRC-approved Luna hydrocarbon extraction system, retested the concentrate and determined the remediation to be successful. Based on this remediation, Sussex Cultivation requests permission to sell products containing the remediated cannabis. Sussex Cultivation argues that N.J.S.A. 24:61-35a(13)(c) authorizes them remediation opportunities and contends that requiring the destruction of the cannabis would result in financial loss, reputational harm, and a significant reduction in legally available cannabis to consumers. Sussex Cultivation asserts that granting the waiver does not pose a risk to public health, safety, or welfare.

RECOMMENDATION FOR WR064: Waiving the destruction requirement under N.J.A.C. 17:30-16.1(f) [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3. Requested Waiver of N.J.A.C. 17:30-10.2(a)(2) and N.J.A.C. 17:30-13.2(a)(2)

Docket number WR066: ABCO Garden State LLC (“ABCO Garden State”), a Class 1 Cultivator license holder, requests a waiver of the regulatory requirement that a cannabis cultivator may transport, transfer, distribute, supply, and sell usable or unusable cannabis to other cannabis cultivators or to cannabis manufacturers, or sell usable cannabis to cannabis wholesalers, or cannabis retailers. ABCO Garden State explains that through its Class 1 Cultivator license, it supplies usable cannabis to a Class 2 Manufacturer to produce cannabis products. Rather than having the Manufacturer deliver the cannabis products directly to Class 5 Retailers, as it is authorized to do pursuant to N.J.A.C. 17:30-11.2(a)(4), ABCO Garden State seeks authorization to transport the manufactured cannabis products themselves from the Class 2 Manufacturer’s premises to Class 5 Retailers. Additionally, ABCO Garden State requests a waiver of N.J.A.C. 17:30-13.2(a)(2) as it authorizes Class 4 Distributors to transport cannabis items between cannabis establishments.

ABCO Garden State request approval to use its personnel and vehicles to conduct the transport and asserts that transport will be conducted in accordance with all secure transport, inventory tracking and recordkeeping regulatory requirements. Additionally, ABCO Garden State seeks authorization to transport the manufactured cannabis products during the same delivery trip as its cultivated flower, with each category of product documented on separate manifests in METRC and in compliance with all applicable regulations. ABCO Garden State argues that granting the waiver request would reduce delivery times, vehicle trips, and coordination burdens for Class 5 Retailers, resulting in more efficient and reliable fulfillment and improved product availability for consumers. ABCO Garden State asserts that granting the waiver does not pose a risk to public health, safety, or welfare.

RECOMMENDATION FOR WR066: Waiving the regulatory requirement which prohibits cannabis cultivators from transporting cannabis product directly to Class 5 Retail license holders

[REDACTED]

[REDACTED]

[REDACTED]