

Social Equity Excise Fee: Public Hearings



New Jersey Cannabis Regulatory Commission

February 20, 25, and 26, 2025



Public Education and Engagement Committee



Krista Nash Committee Chair NJ-CRC Commissioner



Charles Barker Committee Member NJ-CRC Commissioner



Agenda

- SEEF Overview
- Public Comments



CREAMM Act Mandate



Source:

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- All fees and penalties, all tax revenue on retail sales collected by the NJ-CRC
- EXCEPT amounts credited to the Property Tax
 Relief Fund and <u>revenue from the Social Equity</u>
 <u>Excise Fee</u>



The Cannabis Regulatory, **Enforcement Assistance, and Marketplace Modernization Fund**

- To be appropriated annually
- At least 70% for grants, loans, other financial assistance for Impact Zones
- Regulatory administrative costs, municipal reimbursements for Drug Recognition Expert training and financial assistance to Impact **Zone residents**



The Social Equity Excise Fee

Source:

- Imposed on the cultivation of recreational cannabis by every licensed cannabis cultivator in New Jersey
- Not imposed on medicinal cannabis cultivation



The Social Equity Excise Fee

Use:

Any excise fee revenue collected pursuant to this section shall be deposited into the Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Fund and <u>shall be</u> <u>used for annual appropriations in social equity</u> <u>investments</u>.



Social Equity Excise Fee Funds

Your role:

Share your ideas for how the funds raised with the Social Equity Excise Fees should be used.

Our role:

- Hold three hearings to listen to your ideas
- Write a report representing your ideas in recommendations to the Governor and Legislature



SEEF Dollars



Social Equity Excise Fee

How much is it?

- Social Equity Excise Fee for 2025 = \$2.50/ounce
- Total Social Equity Excise Fee funds raised = \$6,140,461*

*Total SEEF funds raised as of August 2024



Cannabis Sales Totals -2024

	Medicinal Sales	Recreational Sales	Total	Recreational Tax Revenue	Social Equity Excise Fees
Q1 2024	\$24,520,469	\$217,745,491	\$242,265,960	\$12,730,940	\$673,074
Q2 2024	\$22,708,539	\$247,347,718	\$270,056,257	\$14,606,338	\$613,225
Q3 2024	\$19,698,012	\$257,828,024	\$277,526,036	\$15,953,265	\$961,971
TOTALS	\$66,927,020	\$722,921,233	\$789,848,253	\$43,290,543	\$2,248,270



Using Revenue for Social Equity

What can it be used for?

Program Examples

- Apprenticeships
- Job skills & readiness training
- Financial literacy programs
- Tutoring
- Business & marketing services
- Specific employment training

Potential investments

- Grants & loans
- Financial assistance
- Economic development
- Housing development
- Workforce development
- Youth development



What can it be used for?

Possible Legal Services

- Legal aid
- Reentry & rehab services
- Educational support
- Social support
- Food assistance

Possible Services for Health & Wellness

- Mental health services
- Substance use disorders treatment & recovery
- Youth recreation
- Mentoring





Share your ideas

What do you think funds raised from Social Equity Excise Fees should be used for?

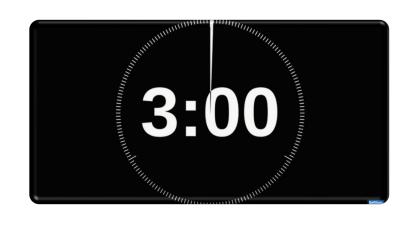
Remember to tell us:

- Your name
- Organization
- County and municipality
- Your idea for using SEEF dollars

Each speaker has 3 minutes.



Public Comment





Thank you for your participation today. You may still submit a written comment at:

njcrcgov.info/SEEF