



New Jersey Cannabis Regulatory Commission

Report on the 2021 Medicinal Marijuana Program

**Summarizing Efforts by the Division of Medicinal
Marijuana, Department of Health**

Adopted July 18, 2024



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Introduction

2021 marked a year of significant change in the development of New Jersey's medicinal cannabis market, largely driven by the enactment of P.L. 2021, c.16, the Cannabis Regulatory, Enforcement Assistance and Marketplace Modernization Act and constitution of the New Jersey Cannabis Regulatory Commission (NJ-CRC) on April 12, 2021. In accordance with N.J.S.A. 24:6I-24, upon the NJ-CRC's launch, it assumed all duties, powers, and responsibilities concerning oversight of medicinal cannabis activities from the New Jersey Department of Health.

The year saw continued growth in patient enrollment and the number of alternative treatment centers (ATC). Almost 60,000 new patients joined the program, bringing the total number of new patients to enroll since the program's beginning to 211,561.

Ten new facilities opened their doors in 2021, mostly satellite dispensary sites opened by existing ATCs. Additionally, the NJ_CRC concluded the 2019 Request for Applications (2019 RFA) and awarded 44 new medicinal permits, including 30 awards for dispensaries, 10 awards for cultivators and four awards for vertically integrated ATCs.

The program also added 1,934 active caregivers, for a e total of 7,693 active caregivers since the program's inception. The program also added 198 new Healthcare Practitioners in 2021. This brought the total number of participating Healthcare Practitioners since program inception to 1,515.

The program served patients with 18 different debilitating conditions, including nearly 77 patients suffering from anxiety.

This report details the statistics and major developments in the program for the calendar year 2021 and provides details on the Department's and NJ-CRC's budget and regulatory process for medical cannabis activities.

Enactment of P.L.2021, c.16

On February 22, 2021, Governor Phil Murphy signed P.L.2021, c.16 into law, historically laying the legal groundwork for the creation of a legal adult-use cannabis industry. Notably, the new statutes included provisions to protect patients within the context of a regulated, recreational cannabis market. These protections were later expanded upon in the NJ-CRC's initial rules and included requiring ATCs to meet patient access requirements and undergo a review of inventory to ensure adequate supply of medicinal cannabis before being allowed to expand into adult-use sales. The agency's rules also included enforcement mechanisms with those requirements to keep patients front and center in New Jersey's market.

Formation of Cannabis Regulatory Commission

Following the enactment of P.L.- 2021, c.16, the Cannabis Regulatory Commission ("NJ-CRC") officially organized on April 12, 2021. The Commission consists of five members, herein referred to as Commissioners or, collectively, the Board of Commissioners. The inaugural Board of Commissioners included Chair Dianna Houenou, Vice-Chair Samuel Delgado, Commissioner Krista Nash, Commissioner Maria Del Cid-Kosso and Commissioner Charles Barker. The staff and operations of the CRC are overseen by its first Executive Director, Jeff Brown, who had previously served as Assistant Commissioner for the Division of Medicinal Marijuana since April 2018.

At its first meeting, the NJ-CRC adopted a plan of organization that includes several offices within the Commission:

1. Office of the Executive Director which includes staff leadership, legal counsel, communications, and other administrative functions;
2. Office of Diversity and Inclusion, an office focused on promoting diversity within the cannabis industry (termed Office of Minority, Disabled Veteran and Women's Cannabis Business Development in statute);
3. Office of Compliance and Licensing, which is responsible for licensing medicinal and recreational cannabis businesses, overseeing investigations, and providing on-the-ground inspections and compliance activities;
4. Office of Patient and Customer Services, which is responsible for enrolling and assisting patients, caregivers and health care practitioners; and
5. Office of Data and Business Analytics, which is responsible for setting up and maintaining systems for tracking sales and inventory and reporting publicly on key performance indicators in the market.

After the NJ-CRC's organization, the Commission assumed responsibility for Medicinal Cannabis and the medicinal cannabis rules in N.J.A.C. 8:64 was transferred to N.J.A.C. 17:30A. All references to the Department of Health within the existing regulations were replaced with the "Cannabis Regulatory Commission".

Finally, to effectuate an orderly transition of services, the NJ-CRC adopted several resolutions that delegated authority back to the Department of Health for critical operational needs like criminal history background checks.

Public Meetings

During 2021, the NJ-CRC held [10 public meetings](#). At each meeting, members of the public could share comments with the NJ-CRC. Additionally, the Commission hosted experts to provide public comment on a host of issues, including third-party product testing, the potential availability of new high-potency products and edibles, and protecting access for patients in a recreational cannabis market.

Budget

The fiscal year 2021 MMP budget consisted of an appropriation of \$857,000. Dedicated receipts from January 1, 2021, to December 31, 2021, from the issuance of patient and caregiver cards and ATC permitting totaled \$1,727,725. This revenue offset the operating cost of the program. The total budget for fiscal year 2021 was \$4,193,037

Regulatory Process

Marijuana Testing – Interim Testing Standards

Prior to 2021, all cannabis in the Medicinal Marijuana Program was required to be tested by the State’s Public Health Environmental Laboratories to ensure compliance with labeling and quality control standards. To accommodate the increased demand for product testing due to the larger number of ATCs, the Commission utilized authority in P.L.2019, c.153 to designate Interim Testing Standards by which ATCs could utilize third-party laboratories to conduct product testing - provided they complied with the interim standards. With adoption of Resolution 2021-9, the NJ-CRC established the Maryland Medical Cannabis Commission’s Technical Authority for Medical Cannabis Testing standards as New Jersey’s Interim Testing Standards with select amendments.

This policy move began the development of a third-party testing industry in New Jersey and increased the frequency and completeness of cannabis testing.

Codification of N.J.A.C. 17:30A

Consistent with the establishment of the NJ-CRC in accordance with P.L.2019, c.153 and P.L.2021, c.16, the Commission’s formation led to the readoption of the rules underpinning New Jersey’s medicinal cannabis industry as N.J.A.C. 17:30A (previously N.J.A.C. 8:64). No substantive changes were made to the regulations as a result of moving the rules to a new chapter in the Administrative Code, however previously existing references to the Department of Health were changed to refer to the newly established. Cannabis Regulatory Commission.

Adoption of N.J.A.C. 17:30

On August 19, 2021, the NJ-CRC adopted the first comprehensive rules for adult-use, or recreational, cannabis activities. Although the rules were focused on creating a new legal cannabis market, notably, they included several provisions meant to protect patient access. These included an approval process for ATCs to begin growing, processing, or selling adult-use cannabis and enforcement provisions for failing to prioritize patient access.

Alternative Treatment Centers

2019 Request for Applications

After pausing the review of 2019 RFA applications for new ATCs for more than a year, on February 18, 2021, the Superior Court of NJ, Appellate Division, issued its final decision related to the 2019 RFA, affirming the Department of Health’s decision to disqualify several applicants that submitted unreadable application files and allowing the State to resume review of the RFA submissions.

On October 15, 2021, the Cannabis Regulatory Commission issued final awards for cultivators and vertically integrated ATCs. Citing increased demand in the cannabis market, the NJ-CRC increased the initially planned number of awards from five cultivators to 10. On December 7, 2021, the Cannabis Regulatory Commission issued awards for dispensaries, also raising the number of awards from 15 to 30. Materials related to the 2019 RFA and issued awards are available on the Commission’s website.

Permit Issuances

In 2021 there were 13 permits issued:

Table 1: Medicinal Permits Issued

<u>Operational Date</u>	<u>Permit Holder</u>	<u>Permit Type</u>	<u>Municipality</u>
February-21	Curaleaf NJ II	Cultivation	Winslow Twp.
March-21	GTI (Green Thumb Industries)	Dispensary	Paramus
March-21	TerrAscend NJ	Manufacturer	Boonton
March-21	Acreage CCF New Jersey	Dispensary	Williamstown
April-21	Verano NJ	Dispensary	Neptune
April-21	Verano NJ	Manufacturer	Branchburg
April-21	TerrAscend NJ	Dispensary	Maplewood
May-21	Ascend New Jersey	Dispensary	Rochelle Park
May-21	Verano NJ	Dispensary	Lawrence Twp.
June-21	Curaleaf NJ II	Dispensary	Edgewater Park
August-21	Columbia Care New Jersey	Dispensary	Deptford
August-21	Curaleaf NJ II	Dispensary	Bordentown
September-21	GTI (Green Thumb Industries)	Dispensary	Bloomfield

Revocations

There were no ATC permit revocations in 2021.

Enrollment

In 2021 each ATC had the following numbers of unique patients assigned to them:

TABLE 2: NUMBER OF ASSIGNED PATIENTS TO ATC

<u>Alternative Treatment Center</u>	<u>Assigned Patients</u>
Apothecarium	2745
Ascend	1669
RISE	9695
The Botanist	14636
Breakwater	15420
Curaleaf/Compassionate Sciences	41086
Greenleaf Compassionate Center	10054
Garden State Dispensary	25553
Harmony Foundation	11991
Terascend	3187
Verano	3963
Zen Leaf	7946
The Cannabist/Columbia Care	3983

Dispensing

In total, ATCs dispensed 634,236 ounces Or 39,639 lbs of medicinal marijuana to registered patients in 2021.

Program Statistics (as of December 31, 2021)

TABLE 3: PATIENT REGISTRATION DATA

	<u>Total</u>	
Active Patients	123,472	
	<u>New in 2021</u>	<u>Total Since Program Inception</u>
Patients Deceased	1,626	6,534
First Time Patient Registrations	59,948	211,509

TABLE 4: CAREGIVER DATA

	<u>Total</u>	
Active Caregivers	4,776	
	<u>New in 2021</u>	<u>Total since Program Inception</u>
Total Caregiver Registrations	939	8,632

TABLE 5: HEALTHCARE PRACTITIONER REGISTRATION DATA

	<u>Total</u>	
Active Healthcare Practitioners	1,104	
	<u>New in 2021</u>	<u>Total since Program Inception</u>
Total Healthcare Practitioner Activity	180	1,695

TABLE 6: ALTERNATIVE TREATMENT CENTER INVESTIGATIONS

	<u>New in 2021</u>	<u>Total since Program Inception</u>
Initiated	0	12
Completed	0	7

TABLE 7: ALTERNATIVE TREATMENT CENTER PERMITS

	<u>New in 2021</u>	<u>Total since Program Inception</u>
Issued	10	24
Revoked	0	0

TABLE 8: NATURE OF PATIENTS QUALIFYING CONDITION ALL TIME:

<u>Debilitating Condition</u>	<u>Total Patients</u>
Anxiety	76907
Chronic Pain of Visceral Origin	7236
Chronic Pain Related to Musculoskeletal Disorders	55211
Dysmenorrhea	930
Glaucoma	785
Inflammatory bowel disease	4022
Intractable skeletal spasticity	9817
Lateral sclerosis	63
Migraine	11160
Multiple sclerosis	1593
Muscular dystrophy	125
Opioid Use Disorder, as an adjunct to Medication	2184
Post-Traumatic Stress Disorder (PTSD)	12755
Seizure disorder	1820
Severe or Chronic pain	4503
Terminal Cancer	1035
Terminal illness	160
Tourette Syndrome	215

Figure 1: Nature of Patient Debilitating conditions 2021

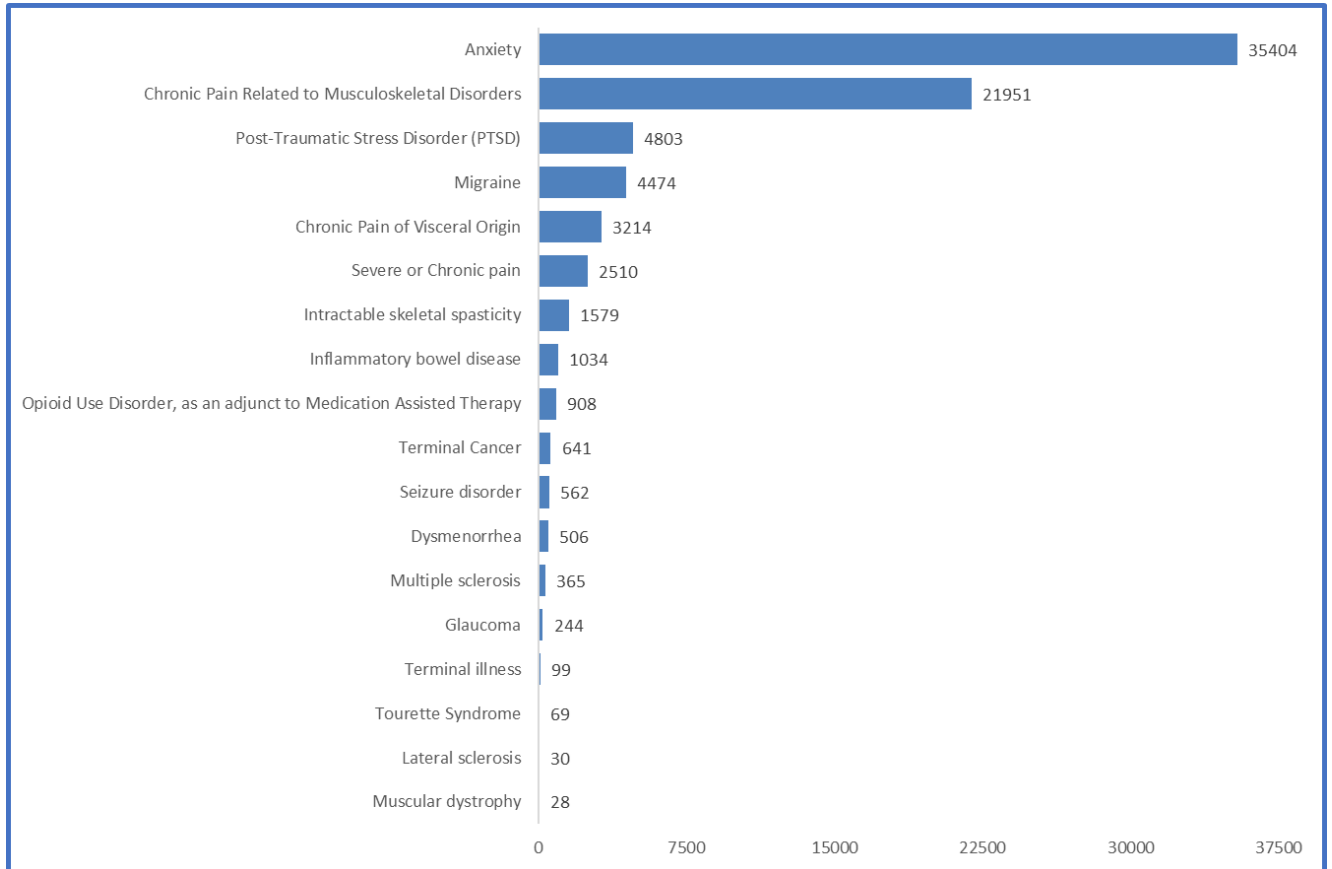


Figure 2: 2021 Healthcare Practitioners Enrolled in Medicinal Marijuana Program, by Specialty

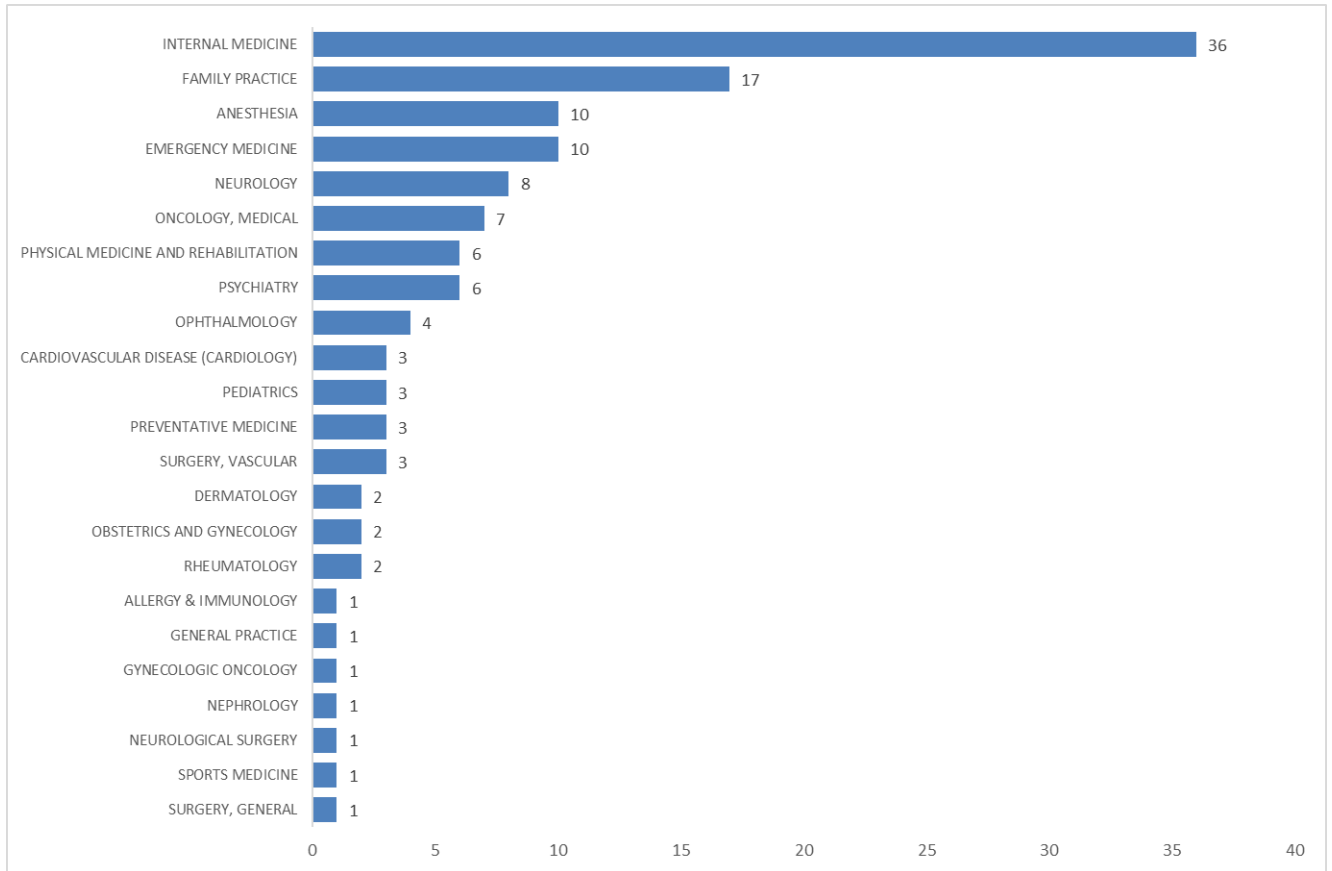
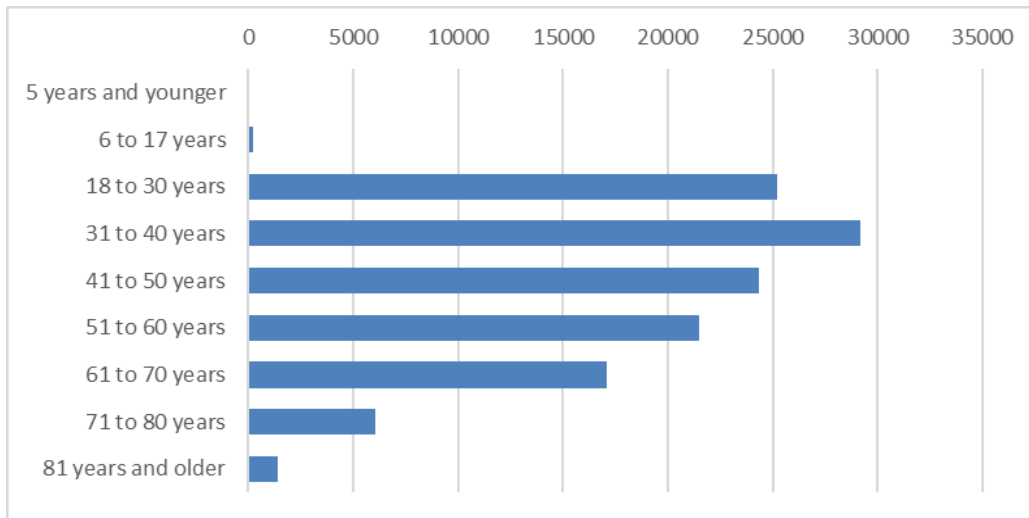


Table 9: Patients by Age Distribution

<u>Patient Age Group</u>	<u>Number</u>	<u>Percentage</u>
5 years and younger	5	0.00%
6 to 17 years	228	0.18%
18 to 30 years	25181	20.15%
31 to 40 years	29177	23.35%
41 to 50 years	24355	19.49%
51 to 60 years	21479	17.19%
61 to 70 years	17108	13.69%
71 to 80 years	6044	4.84%
81 years and older	1383	1.11%

Figure 3: Patients by Age Group Bar Chart



¹ The Age & Gender tables include Expired, Inactive and Pending Approval in addition to Active Patients

Table 10: Patient Gender Distribution

<u>Patients By Gender</u>	<u>Number</u>	<u>Percentage</u>
Male	68096	54.49%
Female	56828	45.48%
Not reported	36	0.03%

Figure 4: Patient Gender Breakdown Pie Chart

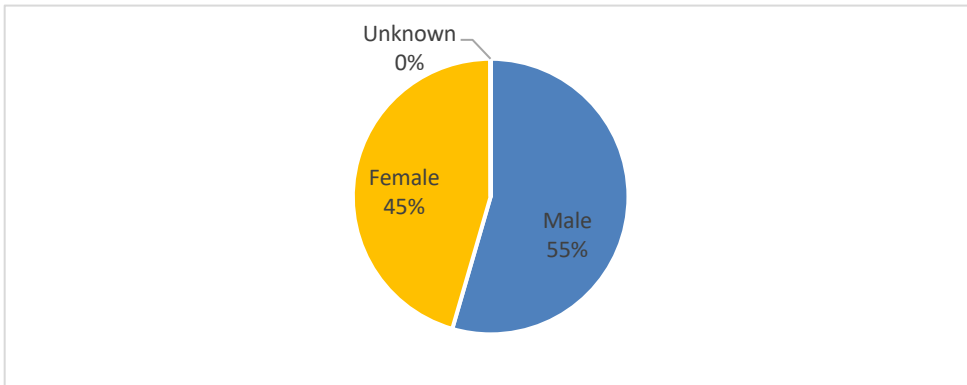


Figure 5: Active Patients By County

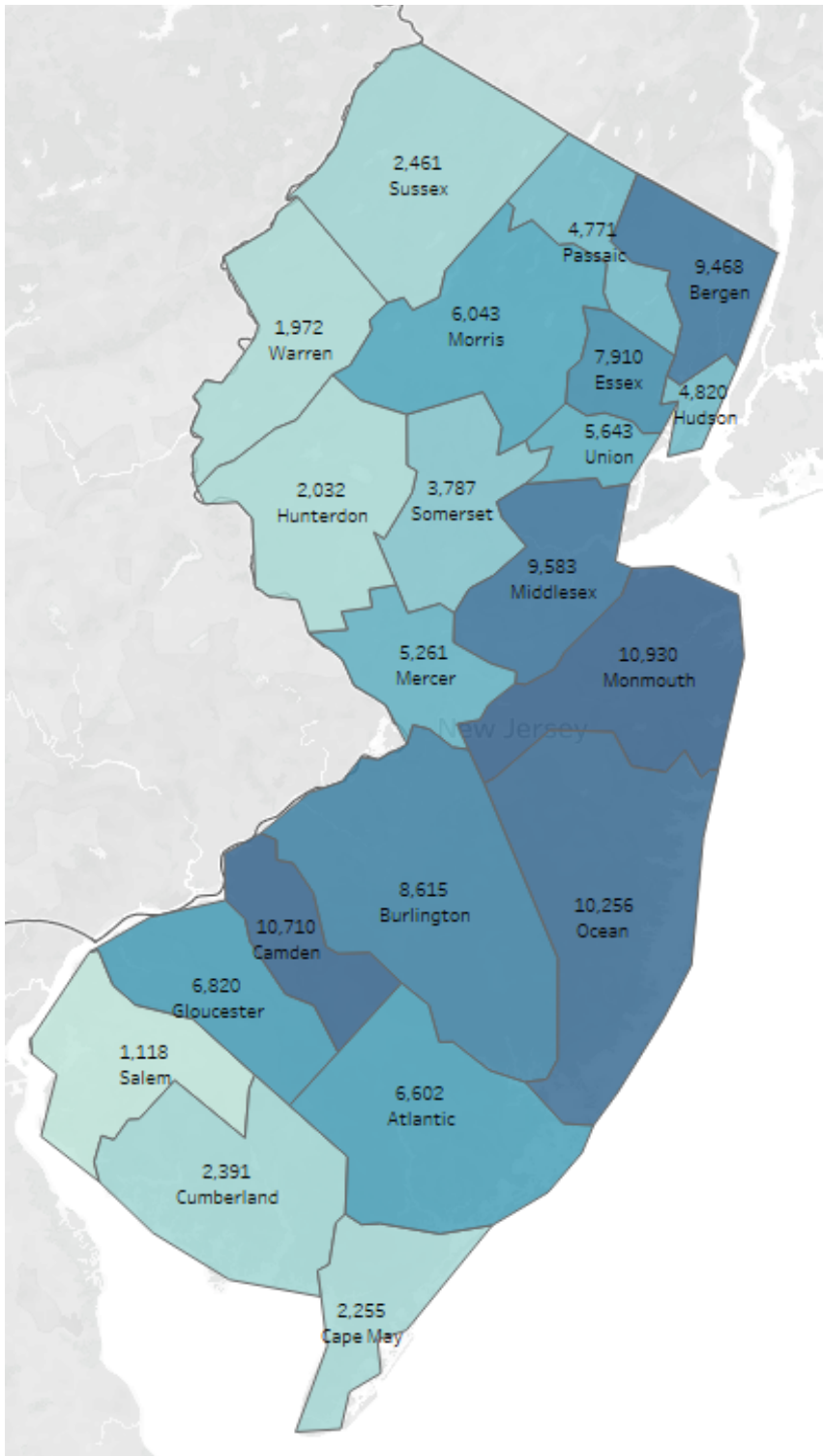


Table 11: Active Patients by County

<u>County</u>	<u>Active Patients</u>
Atlantic	6602
Bergen	9468
Burlington	8615
Camden	10710
Cape May	2255
Cumberland	2391
Essex	7910
Gloucester	6820
Hudson	4820
Hunterdon	2032
Mercer	5261
Middlesex	9583
Monmouth	10930
Morris	6043
Ocean	10256
Passaic	4771
Salem	1118
Somerset	3787
Sussex	2461
Union	5643
Warren	1972

Figure 6: Patients By County Sorted Descending

