

## **Notice of Application Acceptance Addendum (“Addendum”)**

### **Definitions**

This Addendum incorporates all definitions from N.J.A.C. 17:30-1.2.

### **General Information and Summary**

Pursuant to the Jake Honig Compassionate Use Medical Cannabis Act, N.J.S.A. 24:6I-1 through -30 (the “Honig Act”) and Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, N.J.S.A. 24:6I-31 through -56 (the “CREAMM Act”), and N.J.A.C. 17:30, this Addendum provides public notice to licensed Class 5 Cannabis Retailers, medicinal cannabis dispensaries, and public stakeholders of the Cannabis Regulatory Commission’s accepting of applications for operating a cannabis consumption area.

The Commission approved a Notice of Adoption of the Cannabis Consumption Area Rules on January 17, 2024 via Resolution 2024-192.

All applications for a cannabis consumption area endorsement must be submitted online through the Commission’s application portal at <http://www.nj.gov/cannabis>.

Applications will be reviewed and investigated in the order in which they were submitted in accordance with the requirements outlined in N.J.A.C. 17:30 and this Addendum.

The Commission has established no limit on the number of cannabis consumption areas available statewide but has placed limits on how many cannabis consumption area endorsements a regulated entity may hold as set forth below.

The Commission shall maintain on its website a list of all approved cannabis consumption areas in the state.

The Commission reserves the right to update this Addendum and Notice. All updates will be announced at a public meeting, posted on the Commission’s website, published in the New Jersey Register, and sent to the Commission’s email list.

### **Eligibility and Limitations**

In accordance with N.J.S.A. 24:6I-21(a), only a licensed Class 5 Cannabis Retailer or a medicinal cannabis dispensary may operate a cannabis consumption area pursuant to N.J.S.A. 24:6I-21 and N.J.A.C 17:30 upon receiving an endorsement from the Commission and the municipality in which it is located.

An entity may operate only one (1) cannabis consumption area, regardless of the number of Class 5 cannabis retailer licenses or medicinal cannabis dispensary permits the entity holds. The cannabis consumption area endorsement shall be valid for one (1) year and may be renewed annually.

The cannabis consumption area must comply with N.J.A.C. 17:30-14.10. Applicants are responsible for understanding and complying with all regulations and statutes applicable to the operation of a cannabis consumption area, regardless of whether the applicable regulations or statutes are expressly mentioned in this Addendum.

### **Application Schedule**

The Commission will begin accepting applications for cannabis consumption area endorsements according to the following schedule:

<b>Date</b>	<b>Applications Accepted</b>
9:00 a.m. ET on January 2, 2025	The Commission will begin accepting applications from Social Equity Businesses only.
9:00 a.m. ET on April 2, 2025	The Commission will begin accepting applications from Diversely Owned Businesses and any microbusiness, while still accepting applications from Social Equity Businesses.
9:00 a.m. ET on July 2, 2025	The Commission will begin accepting applications from all other applicants.

There is no deadline for license application submissions pursuant to this Addendum. Applications will be accepted on a rolling basis.

### **Mandatory Application Requirements**

Applications for a cannabis consumption area endorsement must be submitted online. The online application will be accessible at [www.nj.gov/cannabis](http://www.nj.gov/cannabis). No paper applications will be accepted. Applicants are responsible for complying with all application requirements, including responding to all required questions and for submitting all mandatory documents. Applications that are deficient will be deemed incomplete and will be rejected and returned to the license applicant to cure any defects and resubmit the application.

An application for a cannabis consumption area endorsement must include:

- An oath or attestation that the information provided in the application is true and accurate;
- Municipal approval, submitted on a form designated by the Commission and available on the Commission's website;
- Detailed floor plans for the premises that will be used as the cannabis consumption area. The floor plans, or an accompanying explanation, must indicate whether the cannabis consumption area will be indoors or outdoors and include the structural and ventilation requirements for indoor or outdoor consumption areas established in N.J.S.A. 24:6I-21(f) and N.J.A.C. 17:30-14.10(b)-(c). The floor plans may optionally include a dedicated space within the cannabis consumption area that will be utilized by patients only.
- Standard operating procedures for:

1. Transferring medical cannabis or cannabis items purchased by a qualifying patient or consumer in its retail establishment to that patient or consumer in its cannabis consumption area;
  2. Providing information regarding the safe consumption of medical cannabis or cannabis items to all persons entering the cannabis consumption area;
  3. Requiring each person, in order to enter the consumption area to produce an accepted form of government-issued photo identification in accordance with N.J.S.A. 24:6I-35(a)(6)(a) and N.J.A.C. 17:30-14.3(a) to prove they are at least 21 years of age;
  4. Ensuring, when a patient or consumer leaves a cannabis consumption area, that any remaining unconsumed medical cannabis or cannabis item that is not carried out with the patient, the patient's designated caregiver, or the consumer is destroyed; When patients or consumers carry out medical cannabis or cannabis items that can no longer be resealed in accordance with N.J.A.C. 17:30- 16.2(f)4, the medical cannabis dispensary or cannabis retailer shall provide the patient or consumer with an exit package that complies with N.J.A.C. 17:30-16.2 to store their unused cannabis items or medical cannabis, as applicable;
  5. Making good faith efforts to ensure that consumers, patients, and caregivers bring only regulated medical or personal-use cannabis items into the cannabis consumption area, which can include a prohibition on outside personal-use cannabis items from being brought into the consumption area; and
  6. Ensuring that, if an emergency requires law enforcement personnel, firefighters, emergency medical services providers, or other public safety workers to enter a cannabis consumption area, the medical cannabis dispensary or cannabis retailer shall prohibit on-site consumption of medical cannabis and cannabis items until such public safety workers have completed their investigation or services and have left the premises; and
- The \$200 application submission fee for microbusinesses, pursuant to N.J.A.C. 17:30-7.17

### **Municipal Approval for Cannabis Consumption Areas**

Municipalities are authorized under the CREAMM Act to authorize, or prohibit, through the enactment of an ordinance or regulation, the operation of a locally endorsed cannabis consumption area, including a cannabis consumption area operated by an alternative treatment center. The ordinance or regulation may govern the location, manner, and times of operations of consumption areas, as well as include a reasonable minimum distance from schools, child daycare facilities, playgrounds, and places of worship where the municipality allows cannabis consumption areas to locate. N.J.A.C. 17:30-5.1(n).

Pursuant to N.J.A.C. 17:30-5.1, a cannabis business shall not offer, anything of value in exchange for an endorsement, or take any other action that would violate N.J.S.A. 40A:9-22.5 of the Local Government Ethics Law.

### **NOTE: Application Materials to be Shared with Municipalities**

Pursuant to N.J.A.C. 17:30-14.9(c), Commission staff will forward a copy of the relevant application documents from each application that has been deemed complete to the municipality in which the

proposed cannabis consumption area is to be located, unless the municipality has prohibited the operation of cannabis consumption areas. The Commission reserves the right to identify and determine which documents are deemed relevant for municipal consideration, and in its discretion may limit the documents that are released to a municipality to protect the privacy interests of the applicant. Commission staff will provide the municipality with sufficient information to determine whether the application complies with its local restrictions.

The Municipality shall determine whether the application complies with its local restrictions on cannabis consumption areas and receives its endorsement and shall inform the Commission of its determination, in accordance with N.J.A.C. 17:30-14.9. If the Municipality denies the application for, or revokes the municipal endorsement, the Commission shall deny or revoke the State endorsement. Municipalities should be mindful of ensuring that cannabis consumption areas are compliant with municipal ordinances and applicable laws regarding the Americans with Disabilities Act (ADA).

Any person aggrieved by the municipal denial of an endorsement application or municipal revocation of an endorsement may request a hearing in the Superior Court of the county in which the application was filed. The request for the hearing shall be filed within 30 days after the date of the municipal denial, and the person shall serve a copy of the request for a hearing upon the appropriate officer for the municipality that denied the application or revoked the endorsement. The hearing shall be held, and a record of the hearing shall be made, within 30 days after the receipt of the request for a hearing. No formal pleading nor filing fee shall be required for the hearing. N.J.A.C. 17:30-14.9(i).

### **Scored Application Measures**

<b>Measure</b>	<b>Submission</b>	<b>Possible Score</b>
Business and Operating Plan	Shall include an explanation of how the cannabis consumption area will comply with, N.J.A.C. 17:30-14.10(b)-(c)	10
Consumption Area Floor Plans	Detailed floor plans for the premises that will be used as the cannabis consumption area. The floor plans, or an accompanying explanation, must indicate whether the cannabis consumption area will be indoors or outdoors and include the structural and ventilation requirements for indoor or outdoor consumption areas established in N.J.S.A. 24:6I-	10

	21(f) and N.J.A.C. 17:30-14.10(b)-(c);	
SOP re Transfer of cannabis items from retail to consumption area	Applicants shall comply with requirements regarding the transfer of medical cannabis or cannabis items from its retail establishment to its cannabis consumption area, and any limits regarding the purchase of such cannabis items.	10
SOP re Good Faith Efforts	Applicants shall make good faith efforts to ensure that consumers, patients, and caregivers bring only regulated medical or personal-use cannabis items into the cannabis consumption area	10
SOP re Safe consumption	Applicants shall provide information regarding the safe consumption of medical cannabis or cannabis items in accordance with N.J.A.C. 17:30-14.10(d)(8).	10
SOP re Age Verification and Access to Cannabis Consumption Area	Applicants shall restrict access to a cannabis consumption areas and restrict access to cannabis items in a consumption area in accordance with N.J.A.C. 17:30-14.10(d)(10)-(11), (14), and N.J.A.C. 17:30-14.10(f).	10
SOP re Destruction of Cannabis Items	Applicants shall ensure unconsumed medical cannabis or cannabis items are treated in accordance with N.J.A.C. 17:30-14.10(d)(13).	10
SOP re Emergency Services	Applicants shall ensure the medical cannabis dispensary, Class 5 cannabis retailer, and cannabis consumption areas prohibit on-site consumption of medical cannabis and cannabis items until such public safety workers have completed their investigation	10

	or services and have left the premises in case of an emergency.	
<b>Score Required for Approval of a Consumption Area Endorsement:</b>		<b>80 points</b>

### **Fees**

Applicants shall refer to N.J.A.C. 17:30-7.17 for a list of all applicable fees.

### **Application Approval**

In order to be eligible for consideration for final agency approval, a cannabis consumption area endorsement application must:

1. Be deemed complete and responsive to the full application requirements required by N.J.A.C. 17:30 and this Notice;
2. Have received a score required for approval of a cannabis consumption area endorsement;
3. Meet the qualification requirements as outlined in the relevant sections of N.J.A.C. 17:30; and
4. Be submitted with all required fees.

Applications that are deemed eligible for consideration for final agency approval shall be recommended to the Commission's Board by the Commission's Executive Director for approval. Approved applications are subject to a \$800 application approval fee, pursuant to N.J.A.C. 17:30-7.17.

Any Commission decision to approve or deny a state cannabis consumption area endorsement application shall be considered a final agency decision and subject to judicial review.

### **Application Denial and Disqualification**

An application may be denied for reasons that include but are not limited to:

- 1) The municipality denies the application for, or revokes, the municipal endorsement;
- 2) The cannabis consumption area operator has not submitted the requisite application or licensing fees pursuant to N.J.A.C. 17:30-7.17;
- 3) The premises on which the applicant proposes to conduct its business does not meet the requirements of the Honig Act or CREAMM Act, as applicable, or Chapter 30;
- 4) There is a reason for denial or revocation set forth at N.J.S.A. 24:6I-21, including "good cause;"
- 5) The applicant fails to deliver the application in accordance with the provisions of this Addendum;

- 6) The applicant submits more applications than the applicant is eligible to submit, in which case all applications may be rejected;
- 7) The applicant states that a mandatory requirement cannot be satisfied;
- 8) The applicant's response materially changes a mandatory requirement;
- 9) The applicant fails to timely respond to the Commission's request for additional information, documents, or references; and
- 10) The applicant, or a representative or agent of the applicant, initiates unauthorized contact with any Commission member or staff regarding this Addendum with a State employee or official or violates any provision of the Honig Act or CREAMM Act.

If the Commission denies an application for, or revokes, a State cannabis consumption area endorsement, the Commission shall provide the applicant with written notice of the denial or revocation and the specific reason for the denial or revocation. Such a determination shall be considered a final agency decision subject to judicial review pursuant to N.J.A.C. 17:30-17.9.