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BPU#

HS 259

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Suggested allocation: ss.4-6: C.24:6I-5.1 to -5.3; s.8: C.24:6I-6.1;
ss.10-12: C.24:6I-7.1 to 24:6I-7.3; ss.19-23: C.24:6I-17 to 24:6I-21;
s.28: C.24:6I-2.1; s.29: Repealer to 2018/33

ASSEMBLY HEALTH AND SENIOR SERVICES COMMITTEE

AMENDMENTS

to

ASSEMBLY, No. 10

(Sponsored by Assemblyman DANIELSEN and Assemblywoman PINTOR MARIN)

REPLACE TITLE TO READ:

AN ACT concerning medical marijuana ¹amending and supplementing P.L.2009, c.307, and repealing section 5 of ¹revising various parts of the statutory law, and supplementing¹ P.L.2009, c.307.

REPLACE SECTION 2 TO READ:

2. Section 3 of P.L.2009, c.307 (C.24:6I-3) is amended to read as follows:

3. As used in ¹this act¹ P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), and P.L. , c. (C.) (pending before the Legislature as this bill):

"Bona fide ¹physician-patient¹ practitioner-patient relationship" means a relationship in which the ¹physician¹ health care practitioner has ongoing responsibility for the assessment, care, and treatment of a patient's ¹debilitating¹ qualifying medical condition.

"Certification" means a statement signed by a physician with whom a qualifying patient has a bona fide physician-patient relationship, which attests to the physician's authorization for the patient to apply for registration for the medical use of marijuana.¹

"Commissioner" means the Commissioner of Health.

¹"Cultivate" means possessing, planting, propagating, cultivating, growing, harvesting, labeling, and storing medical marijuana consistent with P.L.2009, c.307 (C.24:6I-1 et al.).¹

¹"Debilitating medical condition" means:

(1) one of the following conditions, if resistant to conventional medical therapy: seizure disorder, including epilepsy; intractable skeletal muscular spasticity; post-traumatic stress disorder; or glaucoma;

(2) one of the following conditions, if severe or chronic pain, severe nausea or vomiting, cachexia, or wasting syndrome results from the condition or treatment thereof: positive status for human

immunodeficiency virus; acquired immune deficiency syndrome; or cancer;

(3) amyotrophic lateral sclerosis, multiple sclerosis, terminal cancer, muscular dystrophy, or inflammatory bowel disease, including Crohn's disease;

(4) terminal illness, if the physician has determined a prognosis of less than 12 months of life; or

(5) any other medical condition or its treatment that is approved by the department by regulation.】

"Department" means the Department of Health.

"Designated caregiver" means a resident of the State who:

(1) is at least 18 years old;

(2) has agreed to assist with a registered qualifying patient's medical use of marijuana, is not currently serving as designated caregiver for more than one other qualifying patient, and is not the qualifying patient's health care practitioner;

(3) has never been convicted of possession or sale of a controlled dangerous substance, unless such conviction occurred after the effective date of P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of federal law related to possession or sale of marijuana that is authorized under P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.) (pending before the Legislature as this bill);

(4) has registered with the department pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4), and, except in the case of a designated caregiver who is an immediate family member of the patient, has satisfied the criminal history record background check requirement of section 4 of P.L.2009, c.307 (C.24:6I-4); and

(5) has been designated as designated caregiver on the qualifying patient's application or renewal for a registry identification card or in other written notification to the department.

"Health care facility" means a general acute care hospital, nursing home, long term care facility, hospice care facility, or rehabilitation center.

"Health care practitioner" means a physician, advanced practice nurse, physician assistant, or other person licensed 'or certified' pursuant to Title 45 of the Revised Statutes who:

(1) possesses active registrations to prescribe controlled dangerous substances issued by the United States Drug Enforcement Administration and the Division of Consumer Affairs in the Department of Law and Public Safety;

(2) has a bona fide practitioner-patient relationship with the patient; and

(3) is the health care practitioner responsible for the ongoing treatment of a patient's qualifying medical condition, provided, however, that the ongoing treatment shall not be limited to the provision of authorization for a patient to use medical marijuana or consultation solely for that purpose.

"Immediate family" means the spouse, civil union partner, child, sibling, or parent of an individual, and shall include the siblings and parents of the individual's spouse or civil union partner, and the spouses or civil union partners of the individual's siblings and children.

"Institutional caregiver" means a resident of the State who:

(1) is at least 18 years old;

(2) is an employee of a health care facility;

(3) is authorized, within the scope of the individual's professional duties, to possess and administer controlled dangerous substances in connection with the care and treatment of qualifying patients and residents pursuant to applicable State and federal laws;

(4) is authorized by the health care facility employing the person to assist 'registered qualifying patients who are' patients or residents of the facility with the medical use of marijuana, including, but not limited to, obtaining medical marijuana for registered qualifying patients '[and residents]' at the facility and assisting 'registered qualifying' patients '[and residents]' with the administration of medical marijuana;

(5) has never been convicted of possession or sale of a controlled dangerous substance, unless such conviction occurred after the effective date of P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of federal law related to possession or sale of marijuana that is authorized under P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.) (pending before the Legislature as this bill); and

(6) has registered with the department pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4).

"Integrated curriculum" means an academic, clinical, or research program at an institution of higher education that is coordinated with a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary to apply theoretical principals, practical experience, or both involving the cultivation, processing, dispensing, or medical use of marijuana to a specific area of study, including, but not limited to, agriculture, biology, business, chemistry, culinary studies, ecology, environmental studies, health care, horticulture, technology, or any other appropriate area of study or combined areas of study. Integrated curricula shall be subject to approval by the Department of Education and the Department of Health.

"Integrated curriculum permit" or "IC permit" means a permit issued to a medical marijuana cultivator, medical marijuana processor, or medical marijuana facility that includes an integrated curriculum approved by the Department of Education and the Department of Health.'

"Marijuana" has the meaning given in section 2 of the "New Jersey Controlled Dangerous Substances Act," P.L.1970, c.226 (C.24:21-2).

"Medical marijuana alternative treatment center" or "alternative treatment center" means an organization '[approved]' issued a permit'

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by the department to ¹perform activities necessary to provide registered qualifying patients with usable marijuana and related paraphernalia in accordance with the provisions of ~~[this act]~~ P.L.2009, c.307 (C.24:6I-1 et al.) and within the scope of any endorsements held ~~by the alternative treatment center]~~ operate as a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary ¹, as well as any organization issued a micro permit pursuant to section 12 of P.L. , c. (C.) (pending before the Legislature as this bill) and any organization issued an integrated curriculum permit¹. This term shall include the organization's officers, directors, board members, and employees.

"Medical marijuana cultivator" means an organization holding a permit issued by the department that authorizes the organization to: possess and cultivate marijuana and deliver, transfer, transport, distribute, supply, and sell medical marijuana and related supplies to medical marijuana processors and medical marijuana dispensaries. A medical marijuana cultivator permit shall not authorize the permit holder to produce medical marijuana products, or to deliver, transfer, transport, distribute, supply, sell, or dispense medical marijuana, medical marijuana products, paraphernalia, or related supplies to qualifying patients, primary caregivers, or institutional caregivers.

"Medical marijuana dispensary" means an organization issued a permit by the department that authorizes the organization to: purchase or obtain medical marijuana and related supplies from medical marijuana cultivators; purchase or obtain medical marijuana products and related supplies from medical marijuana processors; and possess, display, deliver, transfer, transport, distribute, supply, sell, and dispense medical marijuana, medical marijuana products, paraphernalia, and related supplies to qualifying patients and their primary caregivers. A medical marijuana dispensary permit shall not authorize the permit holder to cultivate medical marijuana or to produce medical marijuana products.

"Medical marijuana processor" means an organization issued a permit by the department that authorizes the organization to: purchase or obtain medical marijuana and related supplies from a medical marijuana cultivator; produce medical marijuana products; and possess, deliver, transfer, transport, distribute, supply, and sell medical marijuana products and related supplies to medical marijuana dispensaries. A medical marijuana ~~dispensary~~ permit shall not authorize the permit holder to cultivate medical marijuana or to deliver, transfer, transport, distribute, supply, sell, or dispense medical marijuana, medical marijuana products, paraphernalia, or related supplies to qualifying patients, primary caregivers, or institutional caregivers.

"Medical marijuana product" means any product derived from, infused with, or otherwise containing marijuana that is produced by a medical marijuana processor, including, but not limited to, oral lozenges, topical formulations, transdermal formulations, sublingual

correct to 'processor'

formulations, tincture formulations, concentrates, baked goods including cookies and brownies, ice cream, beverages, honey, candy, tablets, capsules, drops, syrups, oils, and similar products.'

"Medical use of marijuana" means the acquisition, possession, transport, or use of marijuana or paraphernalia by a registered qualifying patient as authorized by **[this act]** P.L.2009, c.307 (C.24:61-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), and P.L. , c. (C.) (pending before the Legislature as this bill).

"Minor" means a person who is under 18 years of age and who has not been married or previously declared by a court or an administrative agency to be emancipated.

"Paraphernalia" has the meaning given in N.J.S.2C:36-1.

["Physician" means a person licensed to practice medicine and surgery pursuant to Title 45 of the Revised Statutes with whom the patient has a bona fide physician-patient relationship and who is the primary care physician, hospice physician, or physician responsible for the ongoing treatment of a patient's debilitating medical condition, provided, however, that the ongoing treatment shall not be limited to the provision of authorization for a patient to use medical marijuana or consultation solely for that purpose.**]**

["Primary caregiver" or "caregiver" means a resident of the State who:

- a. is at least 18 years old;
- b. has agreed to assist with a registered qualifying patient's medical use of marijuana, is not currently serving as primary caregiver for another qualifying patient, and is not the qualifying patient's physician;
- c. has never been convicted of possession or sale of a controlled dangerous substance, unless such conviction occurred after the effective date of this act and was for a violation of federal law related to possession or sale of marijuana that is authorized under this act;
- d. has registered with the department pursuant to section 4 of this act, and has satisfied the criminal history record background check requirement of section 4 of this act; and
- e. has been designated as primary caregiver on the qualifying patient's application or renewal for a registry identification card or in other written notification to the department.**]**

"Qualifying medical condition" means seizure disorder, including epilepsy; intractable skeletal muscular spasticity; post-traumatic stress disorder; glaucoma; positive status for human immunodeficiency virus; acquired immune deficiency syndrome; cancer; amyotrophic lateral sclerosis; multiple sclerosis; muscular dystrophy; inflammatory bowel disease, including Crohn's disease; terminal illness, if the patient has a prognosis of less than 12 months of life; anxiety; migraine; Tourette's syndrome; chronic pain; or any other medical condition or its treatment that is approved by the ' [Department of Health] department'.

"Qualifying patient" or "patient" means a resident of the State who has been provided with a certification authorized for the medical use of marijuana by a physician health care practitioner pursuant to a bona fide physician-patient practitioner-patient relationship.

"Produce medical marijuana products" means producing, manufacturing, baking, infusing, or otherwise creating medical marijuana products using medical marijuana obtained from a medical marijuana cultivator.¹

"Registry identification card" means a document issued by the department that identifies a person as a registered qualifying patient or primary, designated caregiver, or institutional caregiver.

"Terminally ill" means having an illness or condition with a prognosis of less than 12 months of life.

"Usable marijuana" means the dried leaves and flowers of marijuana, and any mixture or preparation thereof, and does not include the seeds, stems, stalks, or roots of the plant.

(cf: P.L.2016, c.53, s.1)

REPLACE SECTION 3 TO READ:

3. Section 4 of P.L.2009, c.307 (C.24:6I-4) is amended to read as follows:

4. (a.) The department shall establish a registry of qualifying patients and their primary designated caregivers, and shall issue a registry identification card, which shall be valid for two years, to a qualifying patient and primary each designated caregiver for the patient, if applicable, who submits the following, in accordance with regulations adopted by the department:

(1) a certification that meets the requirements of section 5 of this act documentation of a health care practitioner's authorization for the medical use of marijuana;

(2) an application or renewal fee, which may be based on a sliding scale as determined by the commissioner;

(3) the name, address, and date of birth of the patient and each designated caregiver, as applicable; and

(4) the name, address, and telephone number of the patient's physician health care practitioner.

Each qualifying patient may concurrently have up to (two) designated caregivers. A qualifying patient may petition the department for approval to concurrently have more than two 'designated' caregivers, which petition shall be approved if the department finds that allowing the patient additional designated caregivers is necessary to meet the patient's treatment needs and is consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.).

The department shall establish a registry of institutional caregivers and shall issue a registry identification card, which shall be valid for one year, to an institutional caregiver who submits: an application or renewal fee as determined by the commissioner; the name, address,

Patient
Registry



Institutional
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and telephone number of the institutional caregiver and of the health care facility 'that employs the] at which the individual will be serving as' institutional caregiver; and a certification that meets the requirements of subsection h. of this section.

(b) Before issuing a registry identification card, the department shall verify the information contained in the application or renewal form submitted pursuant to this section. In the case of a [primary] designated or institutional caregiver, the department shall provisionally approve an application pending the results of a criminal history record background check, if the caregiver otherwise meets the requirements of [this act] P.L.2009, c.307 (C.24:6I-1 et al.). The department shall approve or deny an application or renewal within 30 days of receipt of the completed application or renewal, and shall issue a registry identification card within five days of approving the application or renewal. The department may deny an application or renewal only if the applicant fails to provide the information required pursuant to this section, or if the department determines that the information was incorrect or falsified or does not meet the requirements of [this act] P.L.2009, c.307 (C.24:6I-1 et al.). Denial of an application shall be a final agency decision, subject to review by the Superior Court, Appellate Division.

(c) (1) The commissioner shall require each applicant seeking to serve as a [primary] designated or institutional caregiver to undergo a criminal history record background check; except that no criminal history record background check shall be required for an applicant seeking to serve as a designated caregiver if the applicant is an immediate family member of the patient, and no criminal history record background check shall be required for an applicant seeking to serve as an institutional caregiver if the applicant completed a criminal history record background check as a condition of employment in the applicant's current position. The commissioner is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the commissioner in a timely manner when requested pursuant to the provisions of this section.

An applicant seeking to serve as a [primary] designated or institutional caregiver who is required to complete a criminal history record background check pursuant to this section shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless the applicant has furnished [his] the applicant's written consent to that check. An applicant who is required to complete a criminal history record background check pursuant to this section who refuses to consent to, or cooperate in, the securing of a check of criminal

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history record background information shall not be considered for inclusion in the registry as a **[primary] designated or institutional** caregiver or issuance of an identification card. An applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

(2) The commissioner shall not approve an applicant seeking to serve as a **[primary] designated or institutional** caregiver who is required to complete a criminal history record background check pursuant to this section if the criminal history record background information of the applicant reveals a disqualifying conviction. For the purposes of this section, a disqualifying conviction shall mean a conviction of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or of any other state.

(3) Upon receipt of the criminal history record background information from the Division of State Police and the Federal Bureau of Investigation, the commissioner shall provide written notification to the applicant of **[his] the applicant's** qualification or disqualification for serving as a **[primary] designated or institutional** caregiver.

If the applicant is disqualified because of a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

(4) The Division of State Police shall promptly notify the commissioner in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the commissioner shall make a determination regarding the continued eligibility of the applicant to serve as a **[primary] designated or institutional** caregiver.

(5) Notwithstanding the provisions of 'paragraph (2) of this' subsection **'[b. of this section]'** to the contrary, no applicant shall be disqualified from serving as a registered **[primary] designated or institutional** caregiver on the basis of any conviction disclosed by a criminal history record background check conducted pursuant to this section if the individual has affirmatively demonstrated to the commissioner clear and convincing evidence of rehabilitation. In determining whether clear and convincing evidence of rehabilitation has been demonstrated, the following factors shall be considered:

- (a) the nature and responsibility of the position which the convicted individual would hold, has held, or currently holds;
- (b) the nature and seriousness of the crime or offense;
- (c) the circumstances under which the crime or offense occurred;
- (d) the date of the crime or offense;

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(e) the age of the individual when the crime or offense was committed;

(f) whether the crime or offense was an isolated or repeated incident;

(g) any social conditions which may have contributed to the commission of the crime or offense; and

(h) any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of those who have had the individual under their supervision.

(d) A registry identification card shall contain the following information:

(1) (a) in the case of a registry identification card for a patient or designated caregiver, the name, address, and date of birth of the patient and **[primary]** each designated caregiver, if applicable; and

(b) in the case of an institutional caregiver, the caregiver's name and date of birth and the name and address of the health care facility at which the caregiver is 'employed' serving as an institutional caregiver';

(2) the expiration date of the registry identification card;

(3) photo identification of the cardholder; and

(4) such other information that the department may specify by regulation.

(e) (1) A patient who has been issued a registry identification card shall notify the department of any change in the patient's name, address, or **[physician]** health care practitioner or change in status of the patient's **[debilitating]** qualifying medical condition, within 10 days of such change, or the registry identification card shall be deemed null and void.

(2) A **[primary]** designated caregiver who has been issued a registry identification card shall notify the department of any change in the caregiver's name or address within 10 days of such change, or the registry identification card shall be deemed null and void.

(3) An institutional caregiver who has been issued a registry identification card shall notify the department of any change in the caregiver's name, address, employment by a health care facility 'at which the caregiver is registered to serve as institutional caregiver', or authorization from the health care facility to assist patients or residents with the medical use of marijuana, within 10 days of such change, or the registry identification card shall be deemed null and void and the individual shall be deemed ineligible to serve as an institutional caregiver for a period of not less than one year.

(f) The department shall maintain a confidential list of the persons to whom it has issued registry identification cards. Individual names and other identifying information on the list, and information contained in any application form, or accompanying or supporting

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document shall be confidential, and shall not be considered a public record under P.L.1963, c.73 (C.47:1A-1 et seq.) ~~'[or]'~~ P.L.2001, c.404 (C.47:1A-5 et al.) ~~'~~, or the common law concerning access to government records~~'~~, and shall not be disclosed except to:

(1) authorized employees of the department and the Division of Consumer Affairs in the Department of Law and Public Safety as necessary to perform official duties of the department and the division, as applicable; and

(2) authorized employees of State or local law enforcement agencies, only as necessary to verify that a person who is engaged in the suspected or alleged medical use of marijuana is lawfully in possession of a registry identification card.

~~(g)~~ Applying for or receiving a registry card does not constitute a waiver of the qualifying patient's ~~[patient-physician]~~ ~~'[patient-professional] practitioner-patient'~~ privilege.

~~(h)~~ An applicant seeking to serve as an institutional caregiver shall submit with the application a certification executed by the director or administrator of the health care facility employing the applicant attesting that:

(1) the facility has authorized the applicant to assist 'registered qualifying' patients ~~'[and residents of] at'~~ the facility with the medical use of marijuana, including obtaining medical marijuana from an alternative treatment center and assisting 'registered qualifying' patients ~~'[and residents]'~~ with the administration of medical marijuana;

(2) the facility has established protocols and procedures and implemented security measures to ensure that any medical marijuana present at the facility is stored in a safe and secure manner that prevents theft, diversion, adulteration, and access by unauthorized individuals;

(3) the facility has established protocols and procedures to review ~~'[patient] the'~~ medications and treatment plans ~~'of registered qualifying patients at the facility'~~ to ensure that the patient's medical use of marijuana will not result in adverse drug interactions, side effects, or other complications that could significantly jeopardize the health or safety of the patient;

(4) the facility will not charge a 'registered qualifying' patient for medical marijuana obtained on the 'registered qualifying' patient's behalf in an amount that exceeds the actual cost of the medical marijuana, plus any reasonable costs incurred in acquiring the medical marijuana;

(5) the facility has established protocols and procedures concerning whether, and to what extent, designated caregivers are permitted to assist 'registered qualifying' patients ~~'[or residents]'~~ with the medical use of marijuana while at the facility; and

(6) the facility will promptly notify the commissioner in the event that:

(a) an institutional caregiver registered with the department pursuant to this section ceases to be employed by the facility or ceases to be authorized by the facility to assist 'registered qualifying' patients with the medical use of marijuana, in which case, upon receipt of the notification, the commissioner shall immediately revoke the institutional caregiver's registration; or

(b) an institutional caregiver registered with the department pursuant to this section, who completed a criminal history record background check as a condition of employment, is convicted of a crime or offense in this State after the date the criminal history background check was performed, in which case, upon receipt of that notification, the commissioner shall make a determination regarding the continued eligibility of the applicant to serve as an institutional caregiver.

Nothing in this section shall be deemed to require any facility to authorize any employee of the facility to serve as an institutional caregiver or to issue a certification that meets the requirements of this subsection.

(cf: P.L.2009, c.307, s.4)

REPLACE SECTION 4 TO READ:

4. (New section) (a.) A health care practitioner shall not be required to be listed publicly in in any medical marijuana practitioner registry as a condition of authorizing patients for the medical use of marijuana.

(b.) When authorizing a qualifying patient who is a minor for the medical use of marijuana, if the treating health care practitioner is not trained in the care of pediatric patients, the treating health care practitioner shall, prior to authorizing the patient for the medical use of marijuana, obtain written confirmation from a health care practitioner trained in the care of pediatric patients establishing, in that health care practitioner's professional opinion, and following an examination of the minor patient or review of the minor patient's medical record, that the minor patient is likely to receive therapeutic or palliative benefits from the medical use of marijuana to treat or alleviate symptoms associated with the patient's qualifying medical condition. If the treating health care practitioner is trained in the care of pediatric patients, no additional written confirmation from any other health care practitioner shall be required as a condition of authorizing the patient for the medical use of marijuana.

(c.) The department shall establish a process to allow medical marijuana to be dispensed to a patient who has been authorized for the medical use of marijuana and who has initiated the process of registering with the department pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4), but whose registration has not been completed or subject to other final action by the department. A patient may be dispensed medical marijuana in quantities of up to a two week supply during the pendency of the patient's registration, after which time the

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patient may be dispensed medical marijuana in an amount consistent with the requirements of section 10 of P.L.2009, c.307 (C.24:6I-10). The department shall impose such restrictions on access to medical marijuana pursuant to this subsection as shall be necessary to protect against fraud, abuse, and diversion.'

REPLACE SECTION 5 TO READ:

5. (New section) (a) Except as provided in subsection b. of this section, no health care practitioner who has authorized a patient for the medical use of marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) within the past 90 days, and no member of such health care practitioner's immediate family, shall be an interest holder in, or receive any form of direct or indirect compensation from, any alternative treatment center.

(b) Nothing in subsection a. of this section shall be construed to prevent a health care practitioner from serving on the governing board of an alternative treatment center, or on the 'medical alternative treatment center' advisory board of an alternative treatment center established pursuant to section '11 13' of P.L. , c. (C.) (pending before the Legislature as this bill), or from receiving a reasonable stipend for such service, provided that:

(1) the stipend does not exceed the stipend paid to any other member of the 'medical alternative treatment center' advisory board for serving on the board; and

(2) the amount of the stipend is not based on patient volumes at 'the alternative treatment center any medical marijuana dispensary' or on the number of authorizations for the medical use of marijuana the health care practitioner issues pursuant to P.L.2009, c.307 (C.24:6I-1 et al.).

(c) A health care practitioner, or an immediate family member of a health care practitioner, who applies to be an owner, director, officer, or employee of an alternative treatment center, or who otherwise seeks to be an interest holder in, or receive any form of direct or indirect compensation from, an alternative treatment center, shall certify that the health care practitioner has not authorized a patient for the medical use of marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) within the 90 days immediately preceding the date of the application.

(d) A person who violates subsection a. of this section shall be guilty of a crime of the fourth degree.

REPLACE SECTION 6 TO READ:

6. (New section) (a) An individual who is registered as a qualifying patient in another state or jurisdiction within the United States that authorizes the medical use of marijuana shall be considered a 'registered' qualifying patient for the purposes of P.L.2009, c.307 (C.24:6I-1 et al.), provided that the individual possesses both a valid patient registry card and a valid photo identification card issued by the other state or jurisdiction. The individual shall be authorized to 'be

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dispensed, possess, use, and engage in such other conduct in connection with medical marijuana 'in New Jersey' as is consistent with the requirements of P.L.2009, c.307 (C.24:6I-1 et al.) and the laws of the state or jurisdiction that issued the patient's registry card **'I**, except that in no case shall any individual be dispensed medical marijuana by an alternative treatment center in New Jersey pursuant to a patient registration issued by another state or jurisdiction**'I**.

(b) An individual who is registered as a designated caregiver in another state or jurisdiction within the United States that authorizes the medical use of marijuana shall be considered a designated caregiver for the purposes of P.L.2009, c.307 (C.24:6I-1 et al.), provided that the individual is in possession of both a valid registry card and a valid photo identification card issued by the other state or jurisdiction. The individual shall be authorized to 'obtain medical marijuana on behalf of a registered qualifying patient' assist **'[a registered qualifying] the'** patient with the medical use of marijuana **'I**, and engage in such other conduct in connection with medical marijuana 'in New Jersey' as is consistent with the requirements of P.L.2009, c.307 (C.24:6I-1 et al.) and the laws of the state or jurisdiction that issued the caregiver's registry card **'I**, except that in no case shall any individual be dispensed medical marijuana by an alternative treatment center in New Jersey pursuant to a caregiver registration issued by another state or jurisdiction**'I**.

c. The department shall seek to enter into reciprocity agreements with other states and jurisdictions within the United States that authorize the medical use of marijuana.

REPLACE SECTION 7 TO READ:

7. Section 6 of P.L.2009, c.307 (C.24:6I-6) is amended to read as follows:

(a) The provisions of N.J.S.2C:35-18 shall apply to any qualifying patient, **[primary]** designated caregiver, institutional caregiver, health care facility, 'laboratory or laboratory employee, medical marijuana consumption area,' alternative treatment center, **[physician]** health care practitioner, or any other person acting in accordance with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.) **[or]**, P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. . c. (C.) (pending before the Legislature as this bill).

b. A qualifying patient, **[primary]** designated caregiver, institutional caregiver, health care facility, 'laboratory or laboratory employee, medical marijuana consumption area,' alternative treatment center, **[physician]** health care practitioner, or any other person acting in accordance with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.) **[or]**, P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. . c. (C.) (pending before the Legislature as this bill) shall not be subject to any civil or administrative penalty, or denied any right or privilege, including, but not limited to, civil penalty or disciplinary action by a

professional licensing board, related to the medical use of marijuana as authorized under P.L.2009, c.307 (C.24:6I-1 et al.) **or** P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.) (pending before the Legislature as this bill).

(c) Possession of, or application for, a registry identification card shall not alone constitute probable cause to search the person or the property of the person possessing or applying for the registry identification card, or otherwise subject the person or **this** the person's property to inspection by any governmental agency.

(d) The provisions of section 2 of P.L.1939, c.248 (C.26:2-82), relating to destruction of marijuana determined to exist by the department, shall not apply if a qualifying patient **or primary** , designated caregiver, or institutional caregiver has in his possession a registry identification card and no more than the maximum amount of usable marijuana that may be obtained in accordance with section 10 of P.L.2009, c.307 (C.24:6I-10).

(e) No person shall be subject to arrest or prosecution for constructive possession, conspiracy, or any other offense for simply being in the presence or vicinity of the medical use of marijuana as authorized under P.L.2009, c.307 (C.24:6I-1 et al.) **or** P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.) (pending before the Legislature as this bill).

(f) No custodial parent, guardian, or person who has legal custody of a qualifying patient who is a minor shall be subject to arrest or prosecution for constructive possession, conspiracy, or any other offense for assisting the minor in the medical use of marijuana as authorized under P.L.2009, c.307 (C.24:6I-1 et al.) **or** P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.) (pending before the Legislature as this bill).

(g) For the purposes of medical care, including organ transplants, a registered qualifying patient's authorized use of medical marijuana in accordance with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), and P.L. , c. (C.) (pending before the Legislature as this bill), shall be considered equivalent to the authorized use of any other medication used at the direction of a health care practitioner, and shall not constitute the use of an illicit substance or otherwise disqualify a qualifying patient from needed medical care.

(h) No public or private school or institution of higher education may refuse to enroll a person solely based on the person's status as a registry identification cardholder, unless failing to do so would result in the school or institution losing a monetary or licensing-related benefit granted pursuant to federal law. No public or private school or institution of higher education shall be penalized or denied any benefit under State law solely on the basis of enrolling a person who is a registry identification cardholder.

(i) No person shall refuse to rent, lease, or sublease any real property or part or portion thereof, or discriminate in the terms,

P
No Search

R

O

NO arrest

P

O

organ
↓
medical care.

school

D

Rent

conditions, or privileges of the rental or lease of any real property or part or portion thereof or in the furnishing of facilities or services in connection therewith, solely based on the status of the prospective tenant as a registry identification cardholder, unless failing to do so would result in the person losing a monetary or licensing-related benefit granted pursuant to federal law. No such person shall be penalized or denied any benefit under State law solely on the basis of renting or leasing real property to a person who is a registry identification cardholder.

(j) No person shall be denied or subject to adverse action in connection with any license, certification, or permit issued pursuant to State law solely based on the person's status as a registry identification cardholder, unless issuance or continuance of the license, certification, or permit would result in the licensing or permitting agency losing federal certification, federal funding, or other benefits granted pursuant to federal law.

(k) A person's status as a registered qualifying patient, a designated or institutional caregiver, or an owner, director, officer, or employee of an alternative treatment center shall not constitute the sole grounds for entering an order that restricts or denies custody of, or visitation with, a minor child of the person.'

(cf: P.L.2015, c.158, s.4)

REPLACE SECTION 8 TO READ:

8. (New section) (a) Unless an employer establishes by a preponderance of the evidence that the lawful use of medical marijuana has impaired the employee's ability to perform the employee's job responsibilities, it shall be unlawful to take any adverse employment action against an employee who is a 'qualified' registered 'qualifying' patient 'using medical marijuana consistent with the provisions of P.L.2009, c.307 (C.24:6I-1 et al.)' solely based on either: (1) the employee's status as a registry identification cardholder; or (2) the employee's positive drug test for marijuana components or metabolites.

For the purposes of this section, an employer may consider an employee's ability to perform the employee's job responsibilities to be impaired when the employee manifests specific articulable symptoms while working that decrease or lessen the employee's performance of the duties or tasks of the employee's job position.

(b) (1) If an employer has a drug testing policy and an employee or job applicant tests positive for marijuana, the employer shall offer the employee or job applicant an opportunity to present a legitimate medical explanation for the positive test result, and shall provide written notice of the right to explain to the employee or job applicant.

(2) Within three working days after receiving notice pursuant to paragraph (1) of this subsection, the employee or job applicant may submit information to the employer to explain the positive test result, or may request a confirmatory retest of the original sample at the

P
R
Not denied
License
O

child custody
P

Employer
Rights
S

E
Drug
Testing
D

employee's or job applicant's own expense. As part of an employee's or job applicant's explanation for the positive test result, the employee or job applicant may present an authorization for medical marijuana issued by a health care practitioner, a registry identification card, or both.

(c) Nothing in this section shall be deemed to:

(1) restrict an employer's ability to prohibit, or take adverse employment action for, the possession or use of intoxicating substances during work hours; or

(2) require an employer to commit any act that would cause the employer to be in violation of federal law, that would result in a loss of a licensing-related benefit pursuant to federal law, or that would result in the loss of a federal contract or federal funding.

(d) No employer shall be penalized or denied any benefit under State law solely on the basis of employing a person who is a registry identification cardholder.

(e) As used in this section, "adverse employment action" means refusing to hire or employ a '[qualified]' registered 'qualifying' patient, barring or discharging a '[qualified]' registered 'qualifying' patient from employment, requiring a '[qualified]' registered 'qualifying' patient to retire from employment, or discriminating against a '[qualified]' registered 'qualifying' patient in compensation or in any terms, conditions, or privileges of employment.

REPLACE SECTION 9 TO READ:

9. Section 7 of P.L.2009, c.307 (C.24:6I-7) is amended to read as follows:

7.(a) (1) The department shall accept applications from entities for permits to operate as alternative treatment centers '[, and may charge a reasonable fee for the issuance of a permit under this section]'. '[The department may issue one or more discrete endorsements pursuant to subsection 1. of this section to an alternative treatment center issued a permit under this section.]

The department shall seek to ensure the availability of a sufficient number of]

(2) To ensure access to alternative treatment centers throughout the State, '[pursuant to need, including at least two each in] the department shall grant at least 12 medical marijuana cultivator permits and at least 21 medical marijuana processor permits, which shall be evenly distributed in each of the northern, central, and southern regions of the State'; and at least 46 medical marijuana dispensary permits, which shall be distributed as provided in paragraph (3) of this subsection. The permits issued pursuant to this paragraph shall include:

(a) the six alternative treatment center permits issued prior to the effective date of P.L. . c. (pending before the Legislature as this bill), which shall constitute six of the medical marijuana cultivator

P
Employer
Protection

O

P

O

S

Regional
cultivators = 12
Processors = 21

Dispensary = 46
Per Leg. Districts

D

6-C
6-P
6-D

Summarizes the
min. # of licenses
to be issued -

Summarizes the
current licenses that
exist today

permits, six of the medical marijuana processor permits, and six of the medical marijuana dispensary permits;

(b) six additional medical marijuana cultivator permits, 15 additional medical marijuana processor permits, and 40 additional medical marijuana dispensary permits, which shall be issued no later than 180 days after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill); and

(c) up to three additional medical marijuana cultivator permits, up to 10 additional medical marijuana processor permits, and up to 15 additional medical marijuana dispensary permits, which shall be issued each time the number of qualifying patients currently registered with the department increases by a factor of 40,000. A request for new permits issued pursuant to this subparagraph may be issued in advance of the anticipated date when the number of qualifying patients will reach the threshold number. When issuing new permits pursuant to this subparagraph, the department shall consider: Statewide production capacity and the production capacity of individual facilities; the total inventory of medical marijuana and medical marijuana products currently available, on average, both regionally and Statewide; the current status of patient demand and patient access; Statewide trends; and the time required for a newly-permitted facility to become operational.

(3) (a) When issuing medical marijuana processor permits and medical marijuana dispensary permits pursuant to paragraph (2) of this subsection, the department shall seek to ensure that there are at least five medical marijuana processors in each region of the State and at least one medical marijuana dispensary in each legislative district, as the districts are comprised as of the effective date of P.L. , c. (C.) (pending before the Legislature as this bill). The locations of any additional medical marijuana processor permits issued by the department shall at the discretion of the department. Any additional medical marijuana dispensary permits issued by the department shall be approved for such locations in the State as shall be necessary to ensure there are sufficient numbers of medical marijuana dispensaries to meet the needs of registered qualifying patients throughout the State.

(b) In the event that the department declares that a legislative district is an underserved legislative district, as defined in subparagraph (d) of this paragraph, the department may approve any qualified applicant for a medical marijuana dispensary permit that is seeking approval to operate at a site that is within 10 miles of the border of the underserved legislative district, including an applicant on the waiting list established pursuant to subsection j. of section 10 of P.L. , c. (C.) (pending before the Legislature as this bill). An applicant seeking a permit to be issued pursuant to this subparagraph may modify or revise a pending application to change the proposed site for the medical marijuana dispensary to a location that is located within 10 miles of the border of an underserved legislative district.

Summarizes NEW
licenses to be issued now

Sets a permanent
formula for issuing
licenses in the future.

P
6-C
15-P
40-D
R
Every 40,000 patients
Add
3-C
10-P
15-D
can issue early
considerations for
new permits
P

Department selects
location of subsequent
processor & dispensaries

S
underserved
district
E
D

(c) A medical marijuana dispensary permit issued pursuant to subparagraph (b) of this paragraph shall constitute the medical marijuana dispensary for the underserved legislative district, and shall not constitute the medical marijuana dispensary to be located in the legislative district in which the medical marijuana dispensary is actually situated.

(d) As used in this paragraph, "underserved legislative district" means a legislative district in which there is no qualified applicant for a medical marijuana dispensary permit, or a legislative district in which every municipality in the district withholds approval for a permit applicant to operate within the jurisdiction of the municipality, resulting in the legislative district having no medical marijuana dispensary.

(4) An initial application for a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary permit shall meet the application requirements set forth in section 10 of P.L. , c. (C.) (pending before the Legislature as this bill).

(5) No permit shall be issued or renewed pursuant to this section unless at least 51 percent of the ownership interest in the permitted entity is held by residents of New Jersey who have continuously resided in the State for at least two years immediately preceding the date of the permit or renewal application.

(6) An owner, director, officer, or interest holder in an alternative treatment center that was issued a permit prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) shall not be authorized to hold any ownership or investment interest in any other medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary, or in any facility issued a micro permit pursuant to section 11 of P.L. , c. (C.) (pending before the Legislature as this bill), for a period of two years after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill).

(7) (a) No interest holder, or natural person with a direct or indirect interest through intermediary business entities or other structures, in any medical marijuana cultivator shall own, either in whole or in part, or be directly or indirectly interested in, a medical marijuana processor or a medical marijuana dispensary. The foregoing shall not apply to interest holders of a medical marijuana alternative treatment center issued a permit by the department prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill).

(b) No interest holder, or natural person with a direct or indirect interest through intermediary business entities or other structures, in any medical marijuana processor shall own, either in whole or in part, or be directly or indirectly interested in, a medical marijuana cultivator or a medical marijuana dispensary. The foregoing shall not apply to interest holders of a medical marijuana alternative treatment center issued a permit by the department prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill).

LD permit credit

R

O

NJ Residency Requirement of 51% + 2yrs

current ATC owners cannot own anything else for 2yrs.

can own only one license

No Vertical Integration

No Vertical Integration

(c) No interest holder, or natural person with a direct or indirect interest through intermediary business entities or other structures, in any medical marijuana (dispensary), shall own, either in whole or in part, or be directly or indirectly interested in, a medical marijuana cultivator or a medical marijuana processor. The foregoing shall not apply to interest holders of a medical marijuana alternative treatment center issued a permit by the department prior to the effective date of P.L. . c. (C.) (pending before the Legislature as this bill).

(d) No natural person or entity shall hold an interest in more than one medical marijuana cultivator permit, medical marijuana processor permit, or medical marijuana dispensary permit at one time.

(e) The ownership restrictions set forth in this subsection shall not apply to an ownership or investment interest that constitutes "less than 10 percent of the total capitalization of a permitted entity". [The first two centers issued a permit in each region shall be nonprofit entities, and centers subsequently] "[Alternative treatment centers issued permits pursuant to this section may be nonprofit or for-profit entities]

(8) The department shall not authorize any medical marijuana dispensary to open or establish a satellite dispensary or conduct dispensing operations from a satellite location on or after the effective date of P.L. . c. (C.) (pending before the Legislature as this bill). An alternative treatment center that was issued a permit prior to the effective date of P.L. . c. (C.) (pending before the Legislature as this bill) shall be authorized to maintain up to two satellite dispensary locations, "provided that any such location was approved and commenced dispensing operations prior to the effective date of P.L. . c. (C.) (pending before the Legislature as this bill)." In the event that the department authorizes any medical marijuana cultivator or medical marijuana processor to operate from more than one physical location, regardless of when the entity's permit was issued, the department shall require that the additional physical location be in the same region in which the permitted facility is located'.

'[The department shall periodically evaluate whether the number of alternative treatment center permits and the number and type of endorsements issued are sufficient to meet the needs of qualifying patients in the State, and shall make requests for applications and issue such additional endorsements and permits as shall be necessary to meet those needs. The types of endorsements and permits requested and issued, and the locations of any additional permits or endorsements that are authorized, shall be in the discretion of the commissioner based on the needs of qualifying patients in the State.

When reviewing applications for new alternative treatment center permits, the commissioner shall consider the applicant's: experience in highly-regulated industries; experience operating alternative treatment centers; workforce and job creation plan, including experience with demonstrated commitment to, or detailed plans for collective bargaining agreements; positive community impact; security and

Correct
10% or less

Approved
Prior to the commencing of
another dispensary permit in
the same LD.

only one
Permit

10% exemption

Two satellite
Locations, but must
be operational before
this Bill's effective date.

operate from
cultivator = more than
one location

surveillance capabilities; storage systems; and emergency management plans. The commissioner shall additionally consider the suitability of the proposed location for the alternative treatment center and any other factors the commissioner determines appropriate for consideration.

To the extent possible, the department shall seek to ensure that at least 15 percent of the total number of new alternative treatment center permits issued on or after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) are issued to a qualified applicant that: has been certified as a minority business or as a women's business by the Division of Development for Small Businesses and Women's and Minority Businesses in the New Jersey Commerce and Economic Growth Commission pursuant to P.L.1986, c.195 (C.52:27H-21.18 et seq.); has been certified as a veteran-owned business by the Department of the Treasury pursuant to P.L.2011, c.147 (C.52:32-49 et seq.); is a disabled-veterans' business, as defined in section 2 of P.L.2015, c.116 (C.52:32-31.2); or is a business in which women, minorities, or veterans own not less than 33 percent of the equity interest, and the day-to-day management control is either vested in and actually exercised by one or more women, minorities, or veterans, subject to the alternative treatment center's board of directors, or is exercised by others, provided that any women, minorities, or veterans specified in the permit retain ultimate and final decision-making authority over the affairs of the alternative treatment center. In selecting among applicants who meet these criteria, the department shall grant a higher preference to applicants with up to two of the certifications described in this subsection.

An alternative treatment center]

(9) (a) A medical marijuana cultivator' shall be authorized '[, within the scope of any endorsements held by that alternative treatment center.],' to ' acquire a reasonable initial and ongoing inventory, as determined by the department, of marijuana seeds or seedlings and paraphernalia '[,] ' possess, cultivate, plant, grow, harvest, '[process, display, manufacture,] cure, dry, and package medical marijuana; and' deliver, transfer, transport, distribute, supply, 'or' sell '[, or dispense] medical' marijuana '[, or] and' related supplies to 'any medical marijuana processor or medical marijuana dispensary in the State. If approved by the department, a medical marijuana cultivator may operate, within the scope of its permit, from more than one physical location; however, regardless of the number of physical locations approved for the medical marijuana cultivator, no permit holder shall utilize more than 45,000 total square feet for cultivation purposes.

(b) A medical marijuana processor shall be authorized to: purchase or acquire medical marijuana from any medical marijuana cultivator in the State; produce medical marijuana products; and deliver, transfer, transport, supply, sell, or transfer medical marijuana products and related supplies to any medical marijuana dispensary in the State. If approved by the department, a medical marijuana processor may

cultivator maximum
Grow 45,000 sq. Ft.

Processor = operate from
more than
one location

operate, within the scope of its permit, from more than one physical location.

(c) A medical marijuana dispensary shall be authorized to: purchase or acquire medical marijuana from any medical marijuana cultivator in the State; purchase or acquire medical marijuana products and related supplies from any medical marijuana processor in the State; purchase or acquire paraphernalia from any legal source; and distribute, supply, sell, or dispense medical marijuana, medical marijuana products, paraphernalia, and related supplies to ¹ qualifying patients or their [primary] designated caregivers or institutional caregivers who are registered with the department pursuant to section 4 of [this act] P.L.2009, c.307 (C.24:61-4). [An] '[Subject to the scope of any endorsements held by the alternative treatment center, as applicable, an alternative treatment center]

(10) A medical marijuana cultivator ¹ shall not be limited in the number of strains of medical marijuana cultivated ¹ [or in the number of products manufactured] ¹ , and ¹ a medical marijuana processor shall not be limited in the number or type of medical marijuana products produced. A medical marijuana processor ¹ may package ¹ medical marijuana in any authorized form ¹ and ¹ a medical marijuana dispensary may ¹ directly dispense ¹ [marijuana] ¹ to qualifying patients ¹ and their designated and institutional caregivers, medical marijuana ¹ in dried form ¹ [, oral lozenges, topical formulations, transdermal form, sublingual form, tincture form, or edible form, or any other form as authorized by the commissioner] ¹ and medical marijuana products in any authorized form ¹ . [Edible form shall include tablets, capsules, drops or syrups, and any other form as authorized by the commissioner.] ¹ [Edible forms shall be available only to qualifying patients who are minors.]

¹ (11) Medical marijuana in dried form shall not be sold to a medical marijuana processor or medical marijuana dispensary by any entity other than the medical marijuana cultivator that cultivated the medical marijuana. Medical marijuana products shall not be sold to a medical marijuana dispensary by any entity other than the medical marijuana processor that produced the medical marijuana product. Any medical marijuana or medical marijuana product sold to a medical marijuana dispensary shall be sold in the final packaging in which it will be dispensed to qualifying patients and their designated or institutional caregivers, except that the medical marijuana dispensary shall be permitted to include with the packaging appropriate informational materials.

(12) ¹ Applicants for authorization as nonprofit alternative treatment centers shall be subject to all applicable State laws governing nonprofit entities, but need not be recognized as a 501(c)(3) organization by the federal Internal Revenue Service.

¹ (b) The department shall require that an applicant provide such information as the department determines to be necessary pursuant to

No Horizontal Sales

No Re-packaging Allowed

regulations adopted pursuant to [this act] P.L.2009, c.307 (C.24:6I-1 et al.) 'and may, in its discretion, require any applicant to submit a personal history disclosure and conduct financial due diligence on any person or entity providing \$100,000 or more in financial backing to an applicant'.

(c) A person who has been convicted of a crime involving any controlled dangerous substance or controlled substance analog as set forth in chapter 35 of Title 2C of the New Jersey Statutes except paragraph (4) of subsection a. of N.J.S.2C:35-10, or any similar law of the United States or any other state shall not be issued a permit to operate as an alternative treatment center or be a director, officer, or employee of an alternative treatment center, unless such conviction occurred after the effective date of [this act] P.L.2009, c.307 (C.24:6I-1 et al.) and was for a violation of federal law relating to possession or sale of marijuana for conduct that is authorized under [this act] P.L.2009, c.307 (C.24:6I-1 et al.), P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. , c. (C.) (pending before the Legislature as this bill).

(d) (1) The commissioner shall require each applicant seeking a permit to operate as an alternative treatment center to undergo a criminal history record background check. For purposes of this section, the term "applicant" shall include any owner, director, officer, or employee of an alternative treatment center. The commissioner is authorized to exchange fingerprint data with and receive criminal history record background information from the Division of State Police and the Federal Bureau of Investigation consistent with the provisions of applicable federal and State laws, rules, and regulations. The Division of State Police shall forward criminal history record background information to the commissioner in a timely manner when requested pursuant to the provisions of this section.

An applicant shall submit to being fingerprinted in accordance with applicable State and federal laws, rules, and regulations. No check of criminal history record background information shall be performed pursuant to this section unless the applicant has furnished [his] the applicant's written consent to that check. An applicant who refuses to consent to, or cooperate in, the securing of a check of criminal history record background information shall not be considered for a permit to operate, or authorization to be employed at, an alternative treatment center. An applicant shall bear the cost for the criminal history record background check, including all costs of administering and processing the check.

(2) The commissioner shall not approve an applicant for a permit to operate, or authorization to be employed at, an alternative treatment center if the criminal history record background information of the applicant reveals a disqualifying conviction as set forth in subsection c. of this section.

(3) Upon receipt of the criminal history record background information from the Division of State Police and the Federal Bureau

P
Applicant
convicted
Disqualified
Exemption
O
P
O
S
E
D

of Investigation, the commissioner shall provide written notification to the applicant of his the applicant's qualification for or disqualification for a permit to operate or be a director, officer, or employee of an alternative treatment center.

If the applicant is disqualified because of a disqualifying conviction pursuant to the provisions of this section, the conviction that constitutes the basis for the disqualification shall be identified in the written notice.

(4) The Division of State Police shall promptly notify the commissioner in the event that an individual who was the subject of a criminal history record background check conducted pursuant to this section is convicted of a crime or offense in this State after the date the background check was performed. Upon receipt of that notification, the commissioner shall make a determination regarding the continued eligibility to operate or be a director, officer, or employee of an alternative treatment center.

(5) Notwithstanding the provisions of subsection '[b.] c.' of this section to the contrary, the commissioner may offer provisional authority for an applicant to be an employee of an alternative treatment center for a period not to exceed three months if the applicant submits to the commissioner a sworn statement attesting that the '[person] applicant' has not been convicted of any disqualifying conviction pursuant to this section.

(6) Notwithstanding the provisions of subsection '[b.] c.' of this section to the contrary, no employee of an alternative treatment center shall be disqualified on the basis of any conviction disclosed by a criminal history record background check conducted pursuant to this section if the individual has affirmatively demonstrated to the commissioner clear and convincing evidence of rehabilitation. In determining whether clear and convincing evidence of rehabilitation has been demonstrated, the following factors shall be considered:

- (a) the nature and responsibility of the position which the convicted individual would hold, has held, or currently holds;
- (b) the nature and seriousness of the crime or offense;
- (c) the circumstances under which the crime or offense occurred;
- (d) the date of the crime or offense;
- (e) the age of the individual when the crime or offense was committed;
- (f) whether the crime or offense was an isolated or repeated incident;
- (g) any social conditions which may have contributed to the commission of the crime or offense; and
- (h) any evidence of rehabilitation, including good conduct in prison or in the community, counseling or psychiatric treatment received, acquisition of additional academic or vocational schooling, successful participation in correctional work-release programs, or the recommendation of those who have had the individual under their supervision.

ATC
Employee;
Exemption to
Conviction - Repair

e. The department shall issue a permit to ¹['a person to'] operate as ¹or be an owner, director, officer, or employee of¹ an alternative treatment center permit to an applicant if the department finds that issuing such a permit would be consistent with the purposes of [this act] P.L.2009, c.307 (C.24:6I-1 et al.) and the requirements of this section are met and the department has verified the information contained in the application. The department shall approve or deny an application within 60 days after receipt of a completed application. The denial of an application shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court. The department may suspend or revoke a permit to operate as an alternative treatment center for cause, which shall be subject to review by the Appellate Division of the Superior Court. An initial permit to operate an alternative treatment center issued on or after the effective date of P.L. . c. (C.) (pending before the Legislature as this bill) shall be valid for three years. Alternative treatment center permits shall be renewable biennially.

f. ¹['A person who has been issued a permit pursuant to this section shall display the permit, including any endorsements specific to that permit, at the premises of the alternative treatment center at all times when the alternative treatment center is engaged in conduct authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) involving medical marijuana, including, but not limited to, the cultivating, manufacturing, or dispensing of medical marijuana']

(1) A person or entity issued a medical marijuana cultivator permit pursuant to this section shall display the permit at the entrance to the medical marijuana cultivator facility at all times when the facility is engaged in the cultivation of medical marijuana.

(2) A person or entity issued a medical marijuana processor permit pursuant to this section shall display the permit at the entrance to the medical marijuana processor facility at all times when the facility is engaged in the production of medical marijuana products.

(3) A person or entity issued a medical marijuana dispensary permit pursuant to this section shall display the permit at the entrance to the medical marijuana dispensary at all times when the facility is engaged in dispensing medical marijuana, medical marijuana products, related supplies, and paraphernalia to registered qualifying patients, designated caregivers, and institutional caregivers¹ [is being produced, or dispensed to a registered qualifying patient or the patient's primary caregiver].

g. An alternative treatment center shall report any change in information to the department not later than 10 days after such change, or the permit shall be deemed null and void.

h. ¹['An] ¹['Any fees charged by an alternative treatment center [may charge a registered qualifying patient or primary caregiver for the reasonable costs associated] in connection with the [production] cultivating, manufacturing, and [distribution] dispensing of medical

ATC permit:
Initial 3yrs.
Renewal 2yrs.

Display
Permit

marijuana [for the cardholder] shall be reasonable and consistent with the actual costs incurred by the alternative treatment center in connection with cultivating, manufacturing, or dispensing medical marijuana]

(1) Each medical marijuana cultivator shall maintain a standard price list that shall apply to all medical marijuana sold by the medical marijuana cultivator to medical marijuana processors and medical marijuana dispensaries, which prices shall be reasonable and consistent with the actual costs incurred by the medical marijuana cultivator in connection with cultivating the medical marijuana. The prices charged by the medical marijuana cultivator shall not deviate from the prices indicated on the facility's current price list.

cultivator =
one price list

(2) Each medical marijuana processor shall maintain a standard price list that shall apply to all medical marijuana products sold by the medical marijuana processor to medical marijuana dispensaries, which prices shall be reasonable and consistent with the actual costs incurred by the medical marijuana processor in connection with producing the medical marijuana product. The prices charged by the medical marijuana processor shall not deviate from the prices indicated on the facility's current price list.

Processor =
one price list

(3) Any fees a medical marijuana dispensary charges to a qualifying patient, designated caregiver, or institutional caregiver for medical marijuana, medical marijuana products, and related supplies and paraphernalia shall be reasonable and consistent with the actual costs incurred by the medical marijuana dispensary in connection with dispensing the medical marijuana or medical marijuana product and related supplies and paraphernalia¹.

Dispensary =
Price must be
Reasonable

(4) A price list required under paragraphs (1) or (2) of this subsection may be revised no more than once per month, and each medical marijuana cultivator and medical marijuana processor shall be responsible for ensuring that the department has a copy of the facility's current price list. A medical marijuana cultivator or medical marijuana processor shall be liable to a civil penalty of \$1,000 for each sale that occurs at a price that deviates from the entity's current price list, and to a civil penalty of \$10,000 for each week during which the entity's current price list is not on file with the department. Any civil penalties collected by the department pursuant to this section shall be used by the department for the purposes of administering the State medical marijuana program.¹

Price Lists can
change once per
month

Price list must be
submitted to the
Department
penalties

(i) The commissioner shall adopt regulations to:

(1) require such written documentation of each delivery of marijuana to, and pickup of marijuana for, a registered qualifying patient, including the date and amount dispensed, to be maintained in the records of the '[alternative treatment center] medical marijuana dispensary¹', as the commissioner determines necessary to ensure effective documentation of the operations of each '[alternative treatment center] medical marijuana dispensary¹;

(2) monitor, oversee, and investigate all activities performed by an alternative treatment center; **[and]**

(3) ensure adequate security of all facilities 24 hours per day, including production and retail locations, and security of all delivery methods to registered qualifying patients; **'[and]'**

(4) establish thresholds for administrative action to be taken against an alternative treatment center and its employees, officers, investors, directors, or governing board¹; and

(5) establish standards and requirements for packaging and labeling medical marijuana and medical marijuana products, including: requiring medical marijuana product labels to list each product ingredient and to identify the specific extraction methods and agents used in creating the product; requiring specific child safety features for medical marijuana and medical marijuana products packaged for dispensing to qualifying patients; and establishing a prohibition against the repackaging of any medical marijuana or medical marijuana product that has been packaged for dispensing to qualifying patients¹.

(i.) 'A medical marijuana cultivator may apply to the department for approval to relocate to another location within the same region, and a medical marijuana processor or a medical marijuana dispensary may apply to the department for approval to relocate to another location within the same legislative district, as that district is constituted as of the date of the application. The department may approve an application for relocation if the department finds the relocation would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.). The denial of an application to relocate a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court.

(k.) (1) '[An alternative treatment center] A medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary' may apply to the department for approval to sell or transfer its permit¹, including any endorsements associated with that permit.¹ to another entity. The department shall not approve the sale or transfer of a permit until each applicant at the entity applying to purchase or receive the transfer of the permit undergoes a criminal history record background check pursuant to subsection d. of this section, the department finds that the sale or transfer of the permit would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.), the requirements of this section are met, and the department has verified the information contained in the application. The department shall approve or deny an application within 90 days after receipt of a completed application. The denial of an application to sell or transfer an alternative treatment center permit shall be considered a final agency decision, subject to review by the Appellate Division of the Superior Court. ¹The sale or transfer of a permit pursuant to this subsection shall not constitute authorization to relocate the permitted facility unless the entity purchasing or receiving transfer of the permit

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Department to
establish Admin Actio.
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Packaging, Labeling
Ingredients
Extraction methods
Extraction Agents
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Back Ground check
for Buyer/Applicant.
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additionally receives approval for the relocation from the department pursuant to subsection j. of this section.'

(2) 'In the event that a permit holder applies to the department for approval to sell or transfer its permit, an entity that has applied for that same type of permit in the same region shall have the right of first refusal to purchase or obtain the permit, provided that:

(a) the permit application is currently pending before the department or the applicant is included on the waiting list established pursuant to subsection j. of section 10 of P.L. . c. (C.) (pending before the Legislature as this bill);

(b) the applicant is the highest scoring applicant for that permit type in that region;

(c) the department determines that the applicant is qualified to be issued the permit, and approving the sale or transfer of the permit to the applicant would be consistent with the purposes of P.L.2009. c.307 (C.24:6I-1 et al.); and

(d) the applicant's circumstances, including its proposed ownership structure, proposed location, and operational plans, have not materially changed since the applicant submitted the application.

If the highest scoring applicant for the type of permit being offered for sale or transfer declines the sale or transfer of the permit, sale or transfer of the permit shall be offered to the next highest-scoring applicant for that permit type in the region, provided the applicant otherwise meets the requirements of subparagraphs (a), (c), and (d) of this subsection. If that applicant declines the sale or transfer of the permit, the permit may be sold or transferred to any entity that meets the requirements of paragraph (1) of this subsection.

The department shall establish, by regulation, requirements for reviewing applications to obtain or purchase a permit pursuant to this paragraph.

(3)' If a nonprofit '[alternative treatment center] medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary' proposes to sell or transfer its permit to a for-profit entity, its board of directors may proceed with the sale or transfer upon receiving approval for the sale or transfer from the department pursuant to paragraph (1) of this subsection, and, except as provided in paragraph '[3] (4)' of this subsection, after obtaining an independent appraisal for the fair market value of the permit. The sale or transfer of the permit shall be consistent with the requirements of the "New Jersey Nonprofit Corporation Act." N.J.S.15A:1-1 et seq. The proceeds of the sale or transfer, following satisfaction of the obligations of the '[alternative treatment center] medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary', shall be retained or expended in a manner consistent with the requirements of the "New Jersey Nonprofit Corporation Act." N.J.S.15A:1-1 et seq., or until the organization is lawfully wound down or dissolved. If a nonprofit '[alternative treatment center] medical marijuana cultivator, medical marijuana processor, or medical

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Right of First
Refusal
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Highest on waiting
List.
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marijuana dispensary¹ seeks to sell or transfer its permit to a for-profit entity with which it shares common ownership or control, the sale or transfer shall not proceed unless at least one disinterested director or trustee approves the sale or transfer in accordance with the requirements of the "New Jersey Nonprofit Corporation Act." N.J.S.15A:1-1 et seq.

'[(3)] (4)' In the case of a nonprofit alternative treatment center that was issued a permit prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), in lieu of obtaining an independent appraisal of the fair market value of the alternative treatment center's permit as required under paragraph '[(2)] (3)' of this subsection, upon receiving approval for the sale from the department pursuant to paragraph (1) of this subsection, a nonprofit alternative treatment center that was issued a permit prior to the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) may, on a single occasion and no later than one year after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), elect to pay the department a fee of \$300,000 and sell or transfer its permit for a sum that satisfies its outstanding obligations.

'[k. No employee of the department shall have any direct or indirect financial interest in the cultivating, manufacturing, or dispensing of medical marijuana or related paraphernalia, or otherwise receive anything of value from an applicant for an alternative treatment center permit or endorsement in exchange for reviewing, processing, or making any recommendations with respect to a permit or endorsement application.

l. (1) An alternative treatment center shall apply to engage in one or more of the following activities associated with provided registered qualifying patients with usable marijuana and related supplies by way of endorsement to its permit issued by the department:

- (a) cultivating and harvesting usable marijuana;
- (b) manufacturing and processing usable marijuana; and
- (c) dispensing usable marijuana.

(2) The endorsements issued by the department shall authorize the following specific activities:

(a) a cultivating endorsement shall allow the alternative treatment center to possess, cultivate, plant, grow, harvest, and package usable marijuana, including prerolled forms, and to display, transfer, transport, distribute, supply, or sell marijuana to other alternative treatment centers, but not directly to registered qualifying patients.

(b) a manufacturing endorsement shall allow the alternative treatment center to possess and process usable marijuana, to purchase usable marijuana from other alternative treatment centers possessing a cultivating endorsement, to manufacture products containing marijuana that are approved by the department, to conduct research and develop products containing marijuana for approval by the department, and to display, transfer, transport, distribute, supply, or

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sell such marijuana and products containing marijuana to other alternative treatment centers, but not directly to registered qualifying patients.

(c) A dispensing endorsement shall allow the alternative treatment center to purchase usable marijuana and products containing marijuana from other alternative treatment centers authorized to cultivate or manufacture usable marijuana or products containing marijuana, and to possess, display, supply, sell, and dispense usable marijuana and products containing marijuana to registered qualifying patients.

(3) The department shall issue endorsements in a manner that ensures adequate patient access to medical marijuana.

m. ⁽¹⁾ In the event that an alternative treatment center fails to comply with any requirements set forth in P.L.2009, c.307 (C.24:61-1 et al.) or any related law or regulation, the department may invoke penalties or take administrative action against the alternative treatment center and its employees, officers, investors, directors, or governing board, including, but not limited to, assessing fines, referring matters to another State agency, 'or' suspending 'or terminating' any '[endorsement or]' permit held by the alternative treatment center 'L, or terminating any endorsement or permit held by the alternative treatment center'.

(m.) Municipalities may, but shall not be required to, create new zoning categories specific to the cultivation and processing of medical marijuana.

(n.) The maximum fees that may be charged for issuance of an initial three-year permit or biennial renewal of an existing permit for an alternative treatment center shall be:

- (1) for a medical marijuana cultivator, \$50,000;
- (2) for a medical marijuana processor, \$25,000; and
- (3) for a medical marijuana dispensary, \$10,000.

The department may establish, by regulation, any additional fees as may be necessary in connection with applications to relocate a permitted facility or to sell or transfer a permit issued under this section'.

(cf: P.L.2013, c.160, s.2)

INSERT NEW SECTION 10 TO READ:

'10. (New section) (a.) Each application for an initial three year permit to operate a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary, and for biennial renewal of such permit, shall be submitted to the department. A separate application shall be required for each location at which an applicant seeks to operate. Renewal applications shall be submitted to the department no later than 90 days before the date the current permit will expire.

(b.) An initial medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary permit application shall be

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Delete

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Zoning
Permit Fees

Additional Fees

E
Each Location Requires a Separate Application

D
100 point
Score Card

100 point
score card

evaluated and scored on a 100 point scale, consistent with the requirements of subsections c. and d. of this section.

c. In addition to any points awarded pursuant to subsection d. of this section, up to 65 points may be awarded for an initial application for a medical marijuana cultivator permit, medical marijuana processor permit, or medical marijuana dispensary permit, as follows:

General Points

(1) Up to seven points may be awarded for the applicant's location plan, as follows:

7 = 65

(a) up to three points may be awarded for a description of the proposed location, the surrounding area, and the suitability or advantages of the proposed location, along with a floor plan and optional renderings or architectural or engineering plans;

3 Location

(b) up to two points may be awarded for submitting zoning approvals for the proposed location, which shall consist of a letter or affidavit from appropriate municipal officials that the location will conform to municipal zoning requirements allowing for the cultivation, processing, or dispensing of medical marijuana, medical marijuana products, and related supplies, as appropriate; and

2 Zoning

(c) up to two points may be awarded for submitting proof of local support for the suitability of the location, which may be demonstrated by a letter from the municipality's highest-ranking official or by a resolution adopted by the municipality's governing body indicating that the intended location is appropriately located or otherwise suitable for, as applicable, the cultivation of medical marijuana, the production of medical marijuana products, or the dispensing of medical marijuana, medical marijuana products, and related supplies.

2 Local support

(2) Up to five points may be awarded for an executive summary of the applicant's business plan, which shall not exceed 1,500 words.

5

Executive summary

(3) Up to five points may be awarded for a description of the applicant's safety and surveillance plans, as follows:

5 ?

(a) up to two points may be awarded for a description of the applicant's security and surveillance features, including descriptions of any alarm systems, video surveillance systems, and access and visitor management systems, along with drawings identifying the proposed locations for surveillance cameras and other security features, as well as procedures for screening, monitoring, and performing criminal history record background checks of employees; and

2 security / surveillance

(b) up to two points may be awarded for a description of the applicant's cybersecurity procedures, including, in the case of an applicant for a medical marijuana dispensary permit, procedures for collecting, processing, and storing consumer data and the applicant's familiarity with State and federal privacy laws.

2 cybersecurity

(4) Up to five points may be awarded for a description of the applicant's plans for research and development of medical strains, their uses, and the education of patients and health care practitioners with regard to such strains and uses, as well as the applicant's plans for partnering with domestic institutions, patients, and laboratories in the application and use of marijuana and medical marijuana products with

5

Research & Development

10. c. (1)

10. c. (2)

Correct
3 points

regard to active chemical compounds and specific ailments, in order to better serve registered qualifying patients.

(5) Up to three points may be awarded if the applicant agrees to execute a labor peace agreement or card check and neutrality agreement with a collective bargaining unit for the proposed entity as a permanent condition of approval. An applicant that does not submit the information described in this paragraph shall not be disqualified from consideration.

3 Labor Peace Agreement

(6) Up to three points may be awarded if the applicant submits, and agrees to operate, the permitted entity under a collective bargaining agreement as a permanent condition of approval, provided that the collective bargaining agreement is in place at least 90 days prior to the date the application is submitted to the department. An applicant that does not submit the information described in this paragraph shall not be disqualified from consideration.

3 Collective bargaining Agreement

(7) Up to three points may be awarded for a demonstration of the applicant's financial ability to implement its business plan, which shall not exceed 10 pages including attachments, and which may include, but shall not be limited to, bank statements, business and individual financial statements, net worth statements, and debt and equity financing statements. An applicant who demonstrates the availability of at least \$500,000 in a bank account in the applicant's name at the time the application is submitted shall be awarded full points under this paragraph.

3 Financial ability

(8) Up to two points may be awarded for a description of how the applicant intends to have a positive impact on the community in which the proposed entity is to be located, which shall include an economic and environmental impact plan and a description of outreach activities and community enrichment programs to be developed.

2 Community Positive Impact statement

(9) Up to two points may be awarded for a description of the applicant's plans for the storage of medical marijuana and medical marijuana products, including any safes, vaults, and climate control systems that will be utilized for this purpose.

2 Marijuana storage plan

(10) Up to two points may be awarded for written, detailed, standard policies and procedures concerning the applicant's workforce development and job creation plan, which may include information on the applicant's history of job creation and planned job creation at its proposed facility; education, training, and resources to be made available for employees; any relevant certifications; and an optional diversity plan.

2 Job creation work Force Development

(11) Up to two points may be awarded for a description of the applicant's workplace safety plans, the applicant's familiarity with federal Occupational Safety and Health Administration regulations, the applicant's history of workers' compensation claims and safety assessments, and the applicant's procedures for reporting adverse events.

2 OSHA + PEOSH

(12) Up to one point may be awarded for the applicant's waste removal plan, including procedures for removing or disposing of

1 Waste Removal

10. C. (8)

byproducts, marijuana that is not usable marijuana, and hazardous waste.

(13) Up to two points may be awarded for applicant's plans to comply with and mitigate the effects of 26 U.S.C. s.280E on marijuana businesses, and for evidence that the applicant is not in arrears with respect to any tax obligation to the State.

(14) Up to two points may be awarded for a description of the applicant's experience complying with guidance pertaining to marijuana issued by the Financial Crimes Enforcement Network under 31 U.S.C. s.5311 et seq., the federal Bank Secrecy Act, which may be demonstrated by submitting letters regarding the applicant's banking history from banks or credit unions that certify they are aware of the business activities of the applicant, or entities with common ownership or control of the applicant's organization, in any state where the applicant has operated a business related to medical marijuana. For the purposes of this paragraph, the department shall consider only bank references involving accounts in the name of the applicant or of an entity with common ownership or control of the applicant's organization. If the applicant has never had a bank account for a marijuana-related business, the applicant may submit a letter from one or more banks or credit unions certifying that the bank or credit union is aware of the applicant's proposed business activities and that the bank or credit union intends to work with the applicant to meet the applicant's banking needs in connection with the proposed alternative treatment center.

(15) Up to two points may be awarded for plans for the applicant's odor control and mitigation plans.

(16) Up to two points may be awarded for proof of coverage or a letter of guarantee from an insurance provider stating that the provider is aware of the business activities of the applicant and that the provider intends to work with the applicant to meet the applicant's insurance needs in connection with the proposed alternative treatment center.

(17) Up to one point may be awarded for a description of the tracking system the applicant will use to prevent product diversion and identify products in the event of a recall.

(18) Up to one point may be awarded for a description of the applicant's emergency response plan, which may include the use of backup generators, emergency personnel, and security features.

(19) Up to three points may be awarded for a description of the applicant's experience working with alternative treatment centers and related production and dispensation entities under New Jersey law.

(20) Up to three points may be awarded for a description of the applicant's experience working in highly-regulated industries.

(21) Up to three points may be awarded if an owner or significant interest holder of the applicant has completed a formal marijuana or cannabis-related training program or course of study.

(22) Up to three points may be awarded for a description of the applicant's previous business experience and a demonstrated track record of success.

P
[2] Tax Plan

R
[2] Banking & Compliance

P
[2] Odor Control

[2] Insurance

[4] Tracking System

[4] ERP

[3] ATC Experience

[3] Highly Regulated Experience

[3] Cannabis Training

[3] Track Record of Business Success

(23) Up to three points may be awarded for ownership experience in the past two years in industries related to the medical use of marijuana that do not involve cultivation, processing, or dispensing, when such experience bears on the type of permit that is the subject of the application, including, but not limited to, experience in the design, production, or sale of paraphernalia and related devices used for the administration of medical marijuana.

3 = 65 total

(d) In addition to any points awarded for an initial application for a medical marijuana cultivator permit, medical marijuana processor permit, or a medical marijuana dispensary permit pursuant to subsection c. of this section, up to 35 points may be awarded as follows:

Cultivator Points
= 35

(1) In the case of an applicant for a medical marijuana cultivator permit:

(a) up to 10 points may be awarded for a description of the applicant's experience legally growing marijuana on large, commercial scale;

10 Experience

(b) up to seven points may be awarded for a description of the applicant's experience in agriculture and horticulture, the applicant's knowledge of good agricultural practices and plant breeding techniques, and the applicant's plan to implement a dedicated plant breeding program designed to develop and preserve highly effective, ailment-specific strains of medical marijuana while preserving the integrity of the gene pool of marijuana plants cultivated at the facility; however, in no case shall the applicant's plan include the genetic modification of any plant;

7 Science

(c) up to six points may be awarded for a description of the applicant's knowledge of the genetics, lineage information, physiological and psychological effects, and characteristics of different strains of marijuana;

6 medical

(d) up to four points may be awarded for a description of the applicant's knowledge of, and plan for, irrigation, water sourcing, water analysis, water treatment, and wastewater treatment;

4 Environmental

(e) up to four points may be awarded for a description of the applicant's knowledge of, and plan for, pest control and disease management practices, including plans for the use of pesticides, nutrients, and additives; and

4 Protection

(f) up to four points may be awarded for a description of the applicant's plans to maximize energy efficiency, including the applicant's lighting system plan.

4 Energy
= 35

(2) In the case of an applicant for a medical marijuana processor permit:

Processor Points
= 35

(a) up to seven points may be awarded for a description of the applicant's knowledge and experience concerning commercial extraction methods, including, but not limited to, carbon dioxide, butane hash oil, ethanol, and manual extraction processes; the applicant's experience in producing medical marijuana products; the types of products the applicant intends to produce; the equipment to be used; and the applicant's post-processing plans;

7 Lab Science

10.d.

10.d.(1)

10.d.(2)

(b) up to six points may be awarded for a description of the applicant's knowledge of, and experience working with, various marijuana strains, including utilizing the various cannabinoid and terpene profiles to create medical marijuana products with specific therapeutic effects;

6 Science/Medical Partnership

(c) up to five points may be awarded for a description of the applicant's experience in packaging and labeling products, with a focus on any experience gained in a highly-regulated industry and for detailed plans concerning the packaging and labeling of medical marijuana products intended for production;

5 Protection of product children and Regulations

(d) up to six points may be awarded for a description of the applicant's experience with product manufacturing, with a focus on experience gained in a highly regulated industry, and for the applicant's knowledge of, and plans for, good manufacturing practices, quality control, and quality assurance. Special consideration shall be given for experience in industries related to the medical or recreational use of marijuana authorized by the laws of New Jersey or any other state or jurisdiction within the United States;

6 Key business Discipline: manufacturing

(e) up to four points may be awarded for a description of the applicant's experience in successfully developing, branding, and distributing a commercial product line and the applicant's plans for developing, branding, and distributing medical marijuana products. Special consideration shall be given for experience developing and branding products in industries related to the medical or recreational use of marijuana authorized by the laws of New Jersey or any other state or jurisdiction within the United States;

4 Product Development

(f) up to three points may be awarded for a description of the applicant's experience with businesses, products, and marketing in highly-regulated industries, including a detailed description of how the applicant will address any restrictions on marijuana-related advertising within traditional advertising media. Special consideration shall be given for experience successfully marketing and selling marijuana products in industries related to the medical or recreational use of marijuana authorized by the laws of New Jersey or any other state or jurisdiction within the United States; and

3 Market Development

(g) up to four points may be awarded for a description of the applicant's experience operating a wholesale food establishment, including any experience involving maintaining compliance with the State sanitation code, the applicant's plans to operate the proposed medical marijuana processor as a wholesale food establishment, and the applicant's plans with regard to maintaining safe food handling practices, including appropriate employee training programs.

4 Bakery/Restaurant Standards & Experience = 35

(3) In the case of an applicant for a medical marijuana dispensary permit:

Dispensary Points

(a) up to six points may be awarded for a description of the applicant's experience in the health care industry, including a detailed description of how such experience is relevant to the treatment of medical marijuana patients;

6 Health Care Industry

10.d.(37)

(b) up to five points may be awarded for a description of the proposed composition of the applicant's alternative treatment center advisory board to be established pursuant to section 13 of P.L. . c. (C.) (pending before the Legislature as this bill);

5 Advisory Board

(c) up to five points may be awarded for a description of the applicant's knowledge of, and experience working with, various marijuana strains, including utilizing the various cannabinoid and terpene profiles to assist registered qualifying patients with achieving specific, customized treatment goals and with reviewing with patients the pros, cons, and options regarding various methods of administering medical marijuana;

5 Experience with MJ strains

(d) up to five points may be awarded for the description of the applicant's experience with businesses, products, and product marketing in highly-regulated industries, including how the applicant intends to address restrictions on advertising marijuana using traditional advertising media. Special consideration shall be given for actual experience in marijuana-related product marketing;

5 Retail Business - Pharmacy - obstacles

(e) up to four points may be awarded for a comprehensive strategy to educate and involve the local community with regard to the medical marijuana program and operations at the proposed medical marijuana dispensary, which shall include materials concerning the benefits and potential drawbacks associated with the medical marijuana program and any other information, materials, or strategies as shall be necessary to facilitate the successful integration of the medical marijuana dispensary into the host community, including descriptions of any community interaction, outreach, and improvement efforts designed to benefit local residents;

4 Community Integration & Education

(f) up to four points may be awarded for a description of the applicant's experience in, and plans to provide, individualized patient consultation and counseling services, including a description of any experience providing patient consultations in medical and related settings;

4 Patient Counseling

(g) up to three points may be awarded for a description of the applicant's experience in consumer retail operations, including any ownership or management positions held by the applicant and the applicant's experience with inventory management, purchasing, managing vendor accounts, customer service, payroll services, and scheduling;

3 Retail operations

(h) up to two points may be awarded for a description of the applicant's procedures for collecting, processing, and storing patient data and the applicant's familiarity with State and federal privacy laws; and

2 HIPAA standards of Personal Data

(i) up to one point may be awarded for a description of the applicant's inventory control and point-of-sale software or systems for the sale of medical marijuana;

1 Data Security Process Control

(e) In reviewing an initial application for a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary permit, unless the information is otherwise solicited by the department in a specific application question, the department's

evaluation of the application shall be limited to the experience and qualifications of the applicant's organization, including any entities with common ownership or control of the applicant's organization, controlling owners or interest holders in the applicant's organization, and the officers, directors, and actual, current, full-time employees of the applicant's organization. Responses pertaining to consultants, independent contractors, and prospective or part-time employees of the applicant shall not be considered or scored. Each applicant shall certify as to the status of the individuals and entities included in the application.

(f.) To the extent possible, the department shall seek to ensure that at least 15 percent of the total number of new medical marijuana cultivator permits, at least 15 percent of the total number of new medical marijuana processor permits, and at least 15 percent of the total number of new medical marijuana dispensary permits issued on or after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill) are issued to a qualified applicant that: has been certified as a minority business or as a women's business pursuant to P.L.1986, c.195 (C.52:27H-21.18 et seq.); has been certified as a veteran-owned business pursuant to P.L.2011, c.147 (C.52:32-49 et seq.); is a disabled-veterans' business, as defined in section 2 of P.L.2015, c.116 (C.52:32-31.2); or is a business in which women, minorities, or veterans own not less than 33 percent of the equity interest, and the day-to-day management control is either vested in and actually exercised by one or more women, minorities, or veterans, subject to the alternative treatment center's board of directors, or is exercised by others, provided that any women, minorities, or veterans specified in the permit retain ultimate and final decision-making authority over the affairs of the alternative treatment center. In selecting among applicants who meet these criteria, the department shall grant a higher preference to applicants with up to two of the certifications described in this subsection.

(g.) The department shall give special consideration to any applicant that has entered into an agreement with an institution of higher education to create an integrated curriculum involving the cultivation, processing, and dispensing of medical marijuana, provided that the curriculum is approved by both the Department of Health and the Department of Education and the applicant agrees to maintain the integrated curriculum in perpetuity. An applicant with an integrated curriculum plan that is awarded a permit under section 7 of P.L.2009, c.307 (C.24:6I-7) shall be deemed to hold an integrated curriculum permit, which shall not be subject to the biennial renewal requirement for alternative treatment center permits, but which shall be subject to revocation if the IC permit holder fails to maintain or continue the integrated curriculum. In the event that, because of circumstances outside an IC permit holder's control, the IC permit holder will no longer be able to continue an integrated curriculum, the IC permit holder shall notify the department and shall make reasonable efforts to establish a new integrated curriculum with an institution of higher

> Important

15% minority
woman
Veteran
Disabled-Veteran

Integrated
curriculum.
= special consideration
= Permanent designation
= No Renewals
= if IC revoked then
ATC reverts to
Renewal Terms

education, subject to approval by the Department of Health and the Department of Education. If the IC permit holder is unable to establish a new integrated curriculum within six months after the date the current integrated curriculum arrangement ends, the department shall revoke the entity's IC permit, unless the department finds there are extraordinary circumstances that justify allowing the permit holder to retain the permit without an integrated curriculum and the department finds that allowing the permit holder to retain the permit would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.), in which case the IC permit shall convert to a regular alternative treatment center permit and shall be subject to biennial renewal.

(h.) No employee of any department, division, agency, board, or other governmental entity involved in the alternative treatment center permit application process shall have any direct or indirect financial interest in the cultivating, processing, or dispensing of medical marijuana or related supplies and paraphernalia, or otherwise receive anything of value from an applicant for an alternative treatment center permit in exchange for reviewing, processing, or making any recommendations with respect to a permit application.

(i.) If the department notifies an applicant that it has scored sufficiently high on multiple applications to be awarded more than one permit for which it has applied, the applicant shall notify the department, within seven business days after receiving such notice, as to which permit it will accept. For any permit award declined by an applicant pursuant to this subsection, the department shall, upon receiving notice from the applicant of the declination, award the permit to the applicant with the next highest score on an application for that permit in the same region or legislative district, as applicable. If an applicant fails to notify the department as to which permit it will accept, the department shall have the discretion to determine which permit it will award to the applicant, based on the department's determination of Statewide need and the scores awarded to other applications in the affected region or legislative district, as applicable.

(j.) An applicant that is not awarded a permit may request to be included on a waiting list to be maintained by the department, which list shall be used for the purposes of awarding medical marijuana dispensary permits in relation to underserved legislative districts, as provided in paragraph (3) of subsection a. of section 7 of P.L.2009, c.307 (C.24:6I-7), and for granting applicants the right of first refusal to purchase or obtain a permit that is offered for sale or transfer pursuant to paragraph (2) of subsection k. of section 7 of P.L.2009, c.307 (C.24:6I-7). An applicant may be included on the waiting list for up to two years, provided the applicant was otherwise qualified to be awarded a permit and the applicant's circumstances, including its proposed ownership structure, proposed location, and operational plans, have not materially changed since the applicant submitted the application.'

P
R
State Employee
conflict of Interest

P
O
S
Wait List =
Good For 2 years

E

D

REPLACE SECTION 10 TO READ:

'10.11.' (New section) (a) The department may issue a micro permit to an applicant to operate as a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary, subject to the following restrictions:

(1) 100 percent of the ownership interest in the permitted facility shall be held by current New Jersey residents who have resided in the State for at least two years;

(2) at least 51 percent of the ownership interest in the permitted facility shall be held by one or more women, minorities, or veterans;

(3) at least 51 percent of the owners, directors, officers, or employees of the permitted facility shall be residents of the municipality in which the permitted facility is located or a municipality bordering the municipality in which the facility is located;

(4) each owner, director, officer, and employee included in the permit application shall undergo a criminal history record background check pursuant to subsection d. of section 7 of P.L.2009, c.307 (C.24:6I-7);

(5) the permit shall be issued to effectuate a medical research goal that meets the requirements of subsection b. of this section; and

(6) the applicant shall meet any other requirements for issuance of a micro permit as may be required by the department.

(b) An applicant for a micro permit shall partner with a hospital, institution of higher education, cancer research center, research project approved and supervised by an institutional review board, pharmacy, or other entity that conducts medical research to develop a specific medical marijuana research goal associated with a specific medical condition. An entity issued a micro permit pursuant to this section shall develop outreach programs and support groups for individuals who have the medical condition, and shall assist such individuals to develop individualized wellness and treatment plans.

(c) (1) An entity issued a micro permit pursuant to this section may concurrently hold a medical marijuana cultivator micro permit, a medical marijuana processor micro permit, and a medical marijuana dispensary micro permit; however, in no case may any entity concurrently hold more than one medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary micro permit, and in no case shall an entity that holds more than a 10 percent interest in a medical marijuana cultivator, medical marijuana processor, or medical marijuana dispensary issued a permit pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7) be issued a micro permit pursuant to this section.

(2) The department may issue as many micro permits under this section as the department deems appropriate and consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.) and this section.

(3) Micro permits shall not be subject to regional location restrictions applicable to medical marijuana cultivators and medical

Micro For
Minorities

Resident

51%

Local Resident
employees

medical Research

Medical/Academic
Partnership

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marijuana processors, or to location restrictions based on legislative district applicable to medical marijuana dispensaries, pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7). Facilities issued a micro permit pursuant to this section shall comply with all applicable zoning requirements but shall not otherwise be required to provide proof of local support for the suitability of the facility location from officials or representatives of the municipality in which the permitted facility is or will be located. Applicants for a micro permit shall not be required to demonstrate the suitability of the proposed location or the financial ability to meet the applicant's business plan as part of the micro permit application process; upon initial approval of a micro permit application, the department shall verify the suitability of the location and the applicant's financial capabilities as a condition of granting final approval to the micro permit application.

(4) Subject to approval by the department, micro permit holders may share a physical space and integrate operations with one or more other micro permit holders, provided that each permit holder maintains its status as a discrete entity and ensures full compliance with the security, tracking, and other operational requirements established by the department, and no permit holder exceeds the space and quantity restrictions set forth in subsection d. of this section, unless the department has waived the restrictions for that entity pursuant to subsection e. of this section.

(d) (1) A medical marijuana cultivator micro permit holder shall be authorized to utilize no more than 10,000 square feet for cultivation purposes.

(2) A medical marijuana processor micro permit holder shall be authorized to acquire and process no more than 1,200 pounds of medical marijuana in dried form each month.

(3) A medical marijuana dispensary micro permit holder shall be authorized to dispense medical marijuana, medical marijuana products, related supplies, and paraphernalia to, or on behalf of, no more than 1,200 qualifying patients per month.

(e) A micro permit issued under this section shall be valid for three years and shall be subject to renewal for a period of three years. The maximum fee that may be assessed for issuance or renewal of a micro permit shall be \$1,000. As a condition of renewal, the department shall review the permit holder's operations and verify that the permit holder is working to achieve a legitimate medical research goal in partnership with a hospital, institution of higher education, cancer research center, pharmacy, or other medical research entity, and determine the progress the permit holder has made in achieving the medical research goal. If the department is unable to verify this information, the permit shall not be renewed.

(f) A micro permit holder may at any time apply to the department for modifications to its permit or to its medical research goal, which the department shall approve if the department determines that the modification is a necessary and appropriate means to better effectuate the purposes for which the micro permit was issued. Modifications

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Less Politics

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Suitability certified by Dept. on final step.

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MICRO market Incubator
Common Partnership

S
Renewal

Condition

E
verify

non-renewal

D
Modification

that the department may approve shall include, but shall not be limited to, a waiver authorizing the permit holder to expand its operations beyond the applicable size, volume, or patient limits set forth in subsection d. of this section.

(g.) A micro permit issued pursuant to this section shall not be sold or transferred. The department may approve the merger of two or more micro permit holders, provided the department determines that the merger is a necessary and appropriate means to better effectuate the purposes for which each micro permit was issued and would be consistent with the purposes of P.L.2009, c.307 (C.24:6I-1 et al.).

(h.) The commissioner may establish, by regulation, such additional permit types in connection with medical marijuana as the commissioner deems necessary and appropriate to maximize the effectiveness and efficiency of the State medical marijuana program and meet the needs of qualifying patients, health care practitioners, alternative treatment centers, and related entities. Such permits may include, but shall not be limited to, permits for providing laboratory services and conducting research in connection with the medical use of marijuana.

REPLACE SECTION 11 TO READ:

'[11.] 12.' (New section) '[a.]' An alternative treatment center may appoint '[a medical] an alternative treatment center' advisory board to provide advice to the alternative treatment center on all aspects of its business.

'[b.] A medical advisory board appointed pursuant to this section shall comprise five members: three health care professionals licensed to practice in New Jersey, at least one of whom shall be a physician; one qualifying patient who resides in the same area in which the alternative treatment center is located; and one individual who owns a business in the same area in which the alternative treatment center is located. No owner, director, officer, or employee of an alternative treatment center may serve on a medical advisory board.

c. A medical advisory board appointed pursuant to this section shall meet at least two times per calendar year.] The size, composition, membership, and any other requirements for alternative treatment center advisory boards shall be established by the commissioner by regulation.'

REPLACE SECTION 12 TO READ:

'[12.] 13.' Section 10 of P.L.2009, c.307 (C.24:6I-10) is amended to read as follows:

10.(a.) A [physician] health care practitioner shall provide written instructions for a registered qualifying patient or [his] the patient's designated caregiver, or an institutional caregiver acting on behalf of the patient, to present to '[an alternative treatment center] a medical

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marijuana dispensary¹ concerning the total amount of usable marijuana that a patient may be dispensed, in weight, in a 30-day period, which amount shall not exceed ~~two ounces~~. If no amount is noted, the maximum amount that may be dispensed at one time is two ounces ~~the maximum amount that may be authorized for the patient pursuant to subsection f. of this section.~~

(b) A ~~physician~~ health care practitioner may issue multiple written instructions at one time authorizing the patient to receive a total of up to a ~~90-day~~ 180-day supply, provided that the following conditions are met:

(1) Each separate set of instructions shall be issued for a legitimate medical purpose by the ~~physician~~ health care practitioner, as provided in ~~this act~~ P.L.2009, c.307 (C.24:61-1 et al.);

(2) Each separate set of instructions shall indicate the earliest date on which a center may dispense the marijuana, except for the first dispensation if it is to be filled immediately; and

(3) The ~~physician~~ health care practitioner has determined that providing the patient with multiple instructions in this manner does not create an undue risk of diversion or abuse.

(c) A registered qualifying patient or ~~his primary~~ the patient's designated caregiver, or an institutional caregiver acting on behalf of a qualifying patient, shall present the patient's or caregiver's registry identification card, as applicable, and these written instructions to ~~the~~ any ~~alternative treatment center that is authorized to dispense medical marijuana~~ medical marijuana dispensary¹, which shall verify and log the documentation presented. An institutional caregiver shall additionally present an authorization executed by the patient certifying that the institutional caregiver is authorized to obtain medical marijuana on behalf of the patient. A ~~physician~~ health care practitioner may provide a copy of a written instruction by electronic or other means, as determined by the commissioner, directly to ~~an alternative treatment center~~ a medical marijuana dispensary¹ on behalf of a registered qualifying patient. The dispensation of marijuana pursuant to any written instructions shall occur within one month of the date that the instructions were written ~~or become eligible for dispensing, whichever is later,~~¹ or the instructions are void.

(d) ~~A patient may be registered at only one alternative treatment center at any time.~~ ~~(deleted by amendment, P.L. , c.) (pending before the Legislature as this bill)~~

(e) Prior to dispensing medical marijuana to a qualifying patient, the patient's designated caregiver, or an institutional caregiver, the ~~alternative treatment center~~ medical marijuana dispensary¹ shall access the system established pursuant to section 11 of P.L.2009, c.307 (C.45:1-45.1) to ascertain whether medical marijuana was dispensed for the patient by any ~~alternative treatment center~~ medical marijuana dispensary¹ within the preceding 30 days. Upon dispensing

medical marijuana to a qualifying patient, the patient's designated caregiver, or an institutional caregiver, the '[alternative treatment center] medical marijuana dispensary' shall transmit to the patient's health care practitioner information concerning the amount, strain, and form of medical marijuana that was dispensed.

(f) (1) Except as provided 'in' paragraph (2) of this subsection, the maximum amount of usable marijuana that a patient may be dispensed, in weight, in a 30-day period, shall be:

(a) 'until January 1, 2019, two ounces in dried form or the equivalent amount in any other form;

(b) 'commencing January 1, 2019 '[an] and' continuing until July 1, 2019, two and one-half ounces in dried form or the equivalent amount in any other form; and

'[(b)] (c)' on or after July 1, 2019, three ounces in dried form or the equivalent amount in any other form.

(2) The monthly limits set forth in paragraph (1) of this subsection shall not apply to patients who are terminally ill or who are currently receiving hospice care through a licensed hospice, which patients may be dispensed an unlimited amount of medical marijuana. Qualifying patients who are not receiving hospice care or who are not terminally ill may petition the department, on a form and in a manner as the department shall require by regulation, for an exemption from the monthly limits set forth in paragraph (1) of this paragraph, which petition the department shall approve if the department finds that granting the exemption is necessary to meet the patient's treatment needs and 'is' consistent with the provisions of P.L.2009, c.307 (C.24:61-1 et al.).

(g) (1) The commissioner shall establish, by regulation, curricula for health care practitioners and alternative treatment center staff. With regard to health care practitioners, the curriculum shall be designed to assist practitioners in counseling patients with regard to the quantity, dosing, and administration of medical marijuana '[as shall be]' appropriate to treat the patient's qualifying medical condition. With regard to alternative treatment center employees, the curriculum shall be designed to assist the employees in counseling patients with regard to determining the strain and form of medical marijuana '[that is]' appropriate to treat the patient's qualifying medical condition.

'(b) The commissioner shall establish written materials that include specific guidelines for qualifying patients concerning the initial and ongoing use of medical marijuana, including information concerning methods of administration, recommended dosing instructions, and contact information for patients to obtain additional information concerning the use of medical marijuana. Medical marijuana dispensaries may incorporate the department materials into any literature or product information provided to qualifying patients.

curricula

Literature
Hand-outs
Language

designated caregivers, and institutional caregivers at the time medical marijuana is dispensed.¹

(cf: P.L.2009, c.307, s.10)

INSERT NEW SECTION 14 TO READ:

'14. (New section) (a) A municipality may, by ordinance, authorize the operation of a medical marijuana consumption area within its jurisdiction. A medical marijuana consumption area may, but shall not be required to be, a designated area within a medical marijuana dispensary.

(b) (1) A municipality that authorizes the operation of a medical marijuana consumption area may establish any additional restrictions concerning the operation of the medical marijuana consumption area as shall be necessary to ensure the safety of qualifying patients and the surrounding community.

(2) Nothing in this subsection shall be construed to authorize the operation of a medical marijuana consumption area within 1,000 feet of any boundary with an adjoining jurisdiction that does not permit medical marijuana dispensaries in its boundaries.

(c) A medical marijuana consumption area shall take appropriate steps to ensure the safety and security of qualifying patients while on the premises of the medical marijuana consumption area, including implementing appropriate measures to guard against theft of medical marijuana present on the premises. A medical marijuana consumption area may, but shall not be required to, establish and maintain a secure area of the facility where qualifying patients may store medical marijuana and medical marijuana products for extended periods of time. Nothing in this section shall be construed to authorize the dispensing, sale, transfer, or other furnishing of medical marijuana or medical marijuana products in a medical marijuana consumption area.

(d) Applications to operate a medical marijuana consumption area pursuant to this section shall be submitted to the department on forms and in a manner as shall be required by the department. Application information shall include the name and address of the applicant, the address of the proposed medical marijuana consumption area and whether it will be a designated area of a medical marijuana dispensary, a certification by the governing body of the municipality where the medical marijuana consumption area will be located that the municipality has authorized the operation of the medical marijuana consumption area, and any other information as the department may require.

(e) Authorization to operate a medical marijuana consumption area shall be valid for one year and shall be subject to renewal by the department on an annual basis, provided the municipality has not revoked authorization to operate within its jurisdiction and the medical marijuana consumption area is compliant with the requirements of this section.

P
Consumption Area

For people in public housing or restricted areas

P
Storage Locker

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Local + state Approval needed for renewal and issuance.

(f.) The department shall maintain a list of all medical marijuana consumption areas in the State and shall make the list available on its Internet website.

Listed on
websites

(g.) The consumption of medical marijuana and medical marijuana products shall be authorized within the premises of any medical marijuana consumption area. Nothing in this section shall be construed to authorize indoor smoking of medical marijuana or a medical marijuana product at a medical marijuana consumption area; however, the operator of the medical marijuana consumption area may designate an outdoor area, or a partially enclosed area with adequate ventilation, that may be utilized for the smoking of medical marijuana and medical marijuana products.

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(h.) A medical marijuana consumption area shall be prohibited from selling food, beverages, or other consumable products on the premises of the medical marijuana consumption area, except that, if the medical marijuana consumption area is a designated area of a medical marijuana dispensary, nothing in this section shall be deemed to prohibit the dispensary from dispensing medical marijuana products to registered qualifying patients and their designated and institutional caregivers. Patients using the medical marijuana consumption area may bring their own food, beverages, and other consumable products into the medical marijuana consumption area for consumption on the premises, provided the premises are maintained in a clean and sanitary condition and no food, beverage, or other consumable product is consumed within the dispensary area of the premises, if the medical marijuana consumption area is a designated area of a medical marijuana dispensary.

No food
No drinks

P

(i.) The operator of a medical marijuana consumption area shall be authorized to deny entry to or remove any person from the premises if necessary to prevent disorderly conduct, disturbances, or activity offensive to the average citizen or to the residents of the neighborhood in which the medical marijuana consumption area is located.

Local owner
control

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REPLACE SECTION 13 TO READ:

'[13.] 15.' Section 14 of P.L.2009, c.307 (C.24:6I-12) is amended to read as follows:

14. (a.) The commissioner shall report to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1):

(1) '(a)' no later than one year after the effective date of [this act] P.L.2009, c.307 (C.24:6I-1 et al.), on the actions taken to implement the provisions of [this act] P.L.2009, c.307 (C.24:6I-1 et al.); and

'(b) no later than one year after the effective date of P.L. . c. (C.) (pending before the Legislature as this bill), on actions taken to implement the provisions of P.L. . c. (C.) (pending before the Legislature as this bill; and'

(2) annually thereafter on the number of applications for registry identification cards, the number of qualifying patients registered, the number of [primary] designated and institutional caregivers

Reporting

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registered, the nature of the ~~qualifying~~ **deilitating** medical conditions of the patients, the number of registry identification cards revoked, the number ~~'and types'~~ of alternative treatment center permits ~~'[and the number and types of endorsements]'~~ issued and revoked, ~~'the number of micro permits issued and the medical goals associated with those permits, the number and type of integrated curricula approved, established, and maintained in connection with an IC permit, the number of testing laboratories licensed, any incidents of diversion of medical marijuana, and the number of [physicians providing certifications for] health care practitioners authorizing patients for the medical use of marijuana, including the types of license or certification held by those practitioners.'~~

b. The reports shall not contain any identifying information of patients, caregivers, or ~~[physicians]~~ **health care practitioners**.

c. Within two years after the effective date of ~~[this act]~~ **P.L.2009, c.307 (C.24:6I-1 et al.)** and every two years thereafter, the commissioner shall: evaluate whether there are sufficient numbers of alternative treatment centers to meet the needs of registered qualifying patients throughout the State; evaluate whether the maximum amount of medical marijuana allowed pursuant to ~~[this act]~~ **P.L.2009, c.307 (C.24:6I-1 et al.)** is sufficient to meet the medical needs of qualifying patients; and determine whether any alternative treatment center has charged excessive prices for marijuana that the center dispensed.

The commissioner shall report his findings no later than two years after the effective date of ~~[this act]~~ **P.L.2009, c.307 (C.24:6I-1 et al.)**, and every two years thereafter, to the Governor, and to the Legislature pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1). (cf: P.L.2009, c.307, s.14)

REPLACE SECTION 14 TO READ:

'[14.] 16.' Section 15 of P.L.2009, c.307 (C.24:6I-13) is amended to read as follows:

15. **(a.)** The Department of Health is authorized to exchange fingerprint data with, and receive information from, the Division of State Police in the Department of Law and Public Safety and the Federal Bureau of Investigation for use in reviewing applications for individuals seeking to serve as **[primary]** designated caregivers or institutional caregivers who, pursuant to section 4 of P.L.2009, c.307 (C.24:6I-4), are required to undergo a criminal history record background check, '[and]' for permits to operate as, or to be a director, officer, or employee of, alternative treatment centers pursuant to section 7 of P.L.2009, c.307 (C.24:6I-7) 'and for permits to operate as, or to be a director, officer, or employee of, alternative treatment center micro permit holders pursuant to section 12 of P.L. , c. (C.) (pending before the Legislature as this bill)'.

b. The Division of State Police shall promptly notify the Department of Health in the event an applicant seeking to serve as a

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Comprehensive
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primary designated or institutional caregiver or an applicant for a permit to operate as, or to be a director, officer, or employee of, an alternative treatment center 'or a micro permit holder', who was the subject of a criminal history record background check conducted pursuant to subsection a. of this section, is convicted of a crime involving possession or sale of a controlled dangerous substance.
(cf: P.L.2012, c.17, s.91)

RENUMBER SECTION 15 AS SECTION 17

REPLACE SECTION 16 TO READ:

'[16.] 18.' Section 18 of P.L.2009, c.307 (C.24:6I-16) is amended to read as follows:

18. (a.) Pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), the commissioner shall promulgate rules and regulations to effectuate the purposes of [this act] P.L.2009, c.307 (C.24:6I-1 et al.), in consultation with the Department of Law and Public Safety.

(b.) Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the commissioner shall adopt, immediately upon filing with the Office of Administrative Law and no later than the 90th day after the effective date of [this act] P.L.2009, c.307 (C.24:6I-1 et al.), such regulations as the commissioner deems necessary to implement the provisions of [this act] P.L.2009, c.307 (C.24:6I-1 et al.). Regulations adopted pursuant to this subsection shall be effective until the adoption of rules and regulations pursuant to subsection a. of this section and may be amended, adopted, or readopted by the commissioner in accordance with the requirements of P.L.1968, c.410 (C.52:14B-1 et seq.).

(c.) No later than 90 days after the effective date of P.L. ., c. (C.) (pending before the Legislature as this bill), the commissioner shall establish, by regulation, recommended dosage guidelines for medical marijuana 'products' in each form available to qualifying patients that are equivalent to one ounce of medical marijuana in dried form ', as well as written materials to be used for the purposes of subsection g. of section 10 of P.L.2009, c.307 (C.24:6I-10)'. The commissioner shall periodically review and update the dosage amounts 'and written materials' as appropriate, including to establish equivalent dosage amounts 'and dosage recommendations' for new '[forms of]' medical marijuana 'products' that become available.
(cf: P.L.2009, c.307, s.18)

Patient Recommendation
as done in
Colorado, and
incorporated in
Literature and
Product Packaging.

INSERT NEW SECTION 19 TO READ:

'19. (New section)(a) The department shall establish and maintain a software system that tracks medical marijuana and medical marijuana products throughout the process of cultivating, processing, delivering, transferring, transporting, distributing, supplying, selling,

and dispensing in connection with the State medical marijuana program, including any associated or attendant activities as shall be appropriate. The software system shall be cross-referenced with the electronic system for monitoring written instructions for the medical use of marijuana established pursuant to section 11 of P.L.2009, c.307 (C.45:1-45.1), and, to the extent possible, shall be cross referenced with tracking software systems used in other states so as to reduce the risk of fraud, abuse, and diversion in connection with medical marijuana and medical marijuana products. The department may contract with a third party provider to establish and maintain the software.

(b) The software system established and maintained pursuant to this section shall be utilized by each medical marijuana cultivator, medical marijuana processor, and medical marijuana dispensary in the State. The software system and database shall be accessible to a State, federal, or municipal law enforcement officer who is acting pursuant to a court order and who certifies that the officer is engaged in a bona fide specific investigation of a designated health care practitioner, alternative treatment center permit holder, registered qualifying patient, designated caregiver, or institutional caregiver. A law enforcement agency that obtains information pursuant to this section shall comply with security protocols and confidentiality requirements established by the commissioner by regulation.¹

INSERT NEW SECTION 20 TO READ:

¹20. (New section) Commencing on the 30th day following the enactment of P.L. , c. (C.) (pending before the Legislature as this bill), each batch of medical marijuana cultivated by a medical marijuana cultivator and each batch of a medical marijuana product produced by a medical marijuana processor shall be tested in accordance with the requirements of section 22 of P.L. , c. (C.) (pending before the Legislature as this bill) by a laboratory licensed pursuant to section 21 of P.L. , c. (C.) (pending before the Legislature as this bill). The laboratory performing the testing shall produce a written report detailing the results of the testing, which shall be included in any packaging materials for medical marijuana and medical marijuana products that are dispensed to qualifying patients and their designated and institutional caregivers by medical marijuana dispensaries. The laboratory may charge a reasonable fee for any test performed pursuant to this section.¹

INSERT NEW SECTION 21 TO READ:

¹21. (New section)(a) A laboratory that performs testing services pursuant to section 20 of P.L. , c. (C.) (pending before the Legislature as this bill) shall be licensed by the department and may be subject to inspection by the department to determine the condition and calibration of any equipment used for testing purposes and to ensure that testing is being performed in accordance with the requirements of

Common
Software
Platform

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Agency Integration

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Batch
Testing
Requirements

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section 22 of P.L. , c. (C.) (pending before the Legislature as this bill).

(b.) There shall be no upper limit on the number of laboratories that may be licensed to perform testing services.

(c.) Until such time as the department establishes licensing requirements and begins issuing licenses pursuant to this section, or if there is no laboratory that provides testing services within 30 miles of the qualifying patient's primary residence, medical marijuana may be tested at any laboratory that consents to provide testing services. Any testing services performed pursuant to this subsection shall be performed in accordance with the requirements of section 22 of P.L. , c. (C.) (pending before the Legislature as this bill).¹

INSERT NEW SECTION 22 TO READ:

¹22. (New section)(a.) The department shall establish, by regulation, standardized procedures and requirements for testing medical marijuana and medical marijuana products.

(b.) Any test performed on a medical marijuana product shall include, at a minimum, liquid chromatography analysis to determine chemical composition and potency, and screening for contamination by biologic contaminants, foreign material, residual pesticides, and other agricultural residue and residual solvents.

(c.) The dosage unit for a given medical marijuana product as established by the department pursuant to subsection c. of section 18 of P.L.2009, c.307 (C.24:6I-16) shall be used by laboratories when testing and determining the potency of the medical marijuana product, and the medical marijuana processor that created the product shall include the standard dosage unit for the product on the outer wrapping of the product prior to sale or transfer to a medical marijuana dispensary.

(d.) Equipment used by a licensed laboratory for testing purposes shall be routinely inspected, calibrated, and maintained in accordance with national standards or, if national standards are not available, with the manufacturer's specifications. Calibration procedures shall include specific directions and limits for accuracy and precision, and provisions for remedial action when these limits are not met. Each licensed laboratory shall maintain records of all inspection, calibration, and maintenance activities, which shall be made available to the department upon request.

(e.) Until such time as the department establishes the standards required by this section, a licensed laboratory may utilize testing standards established by any other state with a medical marijuana program.¹

RENUMBER SECTION 17 AS SECTION 23

INSERT NEW SECTION 24 TO READ:

¹24. N.J.S.2C:35-18 is amended to read as follows:

2C:35-18. Exemption; Burden of Proof. a. If conduct is authorized by the provisions of P.L.1970, c.226 (C.24:21-1 et seq.), P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. . c. (C.) (pending before the Legislature as this bill), that authorization shall, subject to the provisions of this section, constitute an exemption from criminal liability under this chapter or chapter 36, and the absence of such authorization shall not be construed to be an element of any offense in this chapter or chapter 36. It is an affirmative defense to any criminal action arising under this chapter or chapter 36 that the defendant is the authorized holder of an appropriate registration, permit or order form or is otherwise exempted or excepted from criminal liability by virtue of any provision of P.L.1970, c.226 (C.24:21-1 et seq.), P.L.2009, c.307 (C.24:6I-1 et al.), **[or]** P.L.2015, c.158 (C.18A:40-12.22 et al.), or P.L. . c. (C.) (pending before the Legislature as this bill). The affirmative defense established herein shall be proved by the defendant by a preponderance of the evidence. It shall not be necessary for the State to negate any exemption set forth in this act or in any provision of Title 24 of the Revised Statutes in any complaint, information, indictment or other pleading or in any trial, hearing or other proceeding under this act.

b. No liability shall be imposed by virtue of this chapter or chapter 36 upon any duly authorized State officer, engaged in the enforcement of any law or municipal ordinance relating to controlled dangerous substances or controlled substance analogs.¹ (cf: P.L.2015, c.158, s.3)

INSERT NEW SECTION 25 TO READ:

¹25. Section 1 of P.L.2015, c.158 (C.18A:40-12.22) is amended to read as follows:

1. a. A board of education or chief school administrator of a nonpublic school shall develop a policy authorizing parents, guardians, and **[primary]** designated caregivers to administer medical marijuana to a student while the student is on school grounds, aboard a school bus, or attending a school-sponsored event.

b. A policy adopted pursuant to subsection a. of this section shall, at a minimum:

(1) require that the student be authorized to engage in the medical use of marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and that the parent, guardian, or **[primary]** designated caregiver be authorized to assist the student with the medical use of marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.);

(2) establish protocols for verifying the registration status and ongoing authorization pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) concerning the medical use of marijuana for the student and the parent, guardian, or **[primary]** designated caregiver;

(3) expressly authorize parents, guardians, and **[primary]** designated caregivers of students who have been authorized for the

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medical use of marijuana to administer medical marijuana to the student while the student is on school grounds, aboard a school bus, or attending a school-sponsored event;

(4) identify locations on school grounds where medical marijuana may be administered; and

(5) prohibit the administration of medical marijuana to a student by smoking or other form of inhalation while the student is on school grounds, aboard a school bus, or attending a school-sponsored event.

c. Medical marijuana may be administered to a student while the student is on school grounds, aboard a school bus, or attending school-sponsored events, provided that such administration is consistent with the requirements of the policy adopted pursuant to this section.¹

(cf: P.L.2015, c.158, s.1)

INSERT NEW SECTION 26 TO READ:

¹26. Section 2 of P.L.2015, c.158 (C.30:6D-5b) is amended to read as follows:

2. a. The chief administrator of a facility that offers services for persons with developmental disabilities shall develop a policy authorizing a parent, guardian, or **[primary]** designated caregiver authorized to assist a qualifying patient with the use of medical marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) to administer medical marijuana to a person who is receiving services for persons with developmental disabilities at the facility.

b. A policy adopted pursuant to subsection a. of this section shall, at a minimum:

(1) require the person receiving services for persons with developmental disabilities be a qualifying patient authorized for the use of medical marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.), and that the parent, guardian, or **[primary]** designated caregiver be authorized to assist the person with the medical use of marijuana pursuant to P.L.2009, c.307 (C.24:6I-1 et al.);

(2) establish protocols for verifying the registration status and ongoing authorization pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) concerning the medical use of marijuana for the person and the parent, guardian, or **[primary]** designated caregiver;

(3) expressly authorize parents, guardians, and **[primary]** designated caregivers to administer medical marijuana to the person receiving services for persons with developmental disabilities while the person is at the facility; and

(4) identify locations at the facility where medical marijuana may be administered.

c. Medical marijuana may be administered to a person receiving services for persons with developmental disabilities at a facility that offers such services while the person is at the facility, provided that such administration is consistent with the requirements of the policy adopted pursuant to this section and the provisions of P.L.2009, c.307 (C.24:6I-1 et al.).

d. Nothing in this section shall be construed to authorize medical marijuana to be smoked in any place where smoking is prohibited pursuant to N.J.S.2C:33-13.¹
(cf: P.L.2015, c.158, s.2)

REPLACE SECTION 18 TO READ:

'[18.] 27.'¹ Section 11 of P.L.2009, c.307 (C.45:1-45.1) is amended to read as follows:

11. a. A [physician] health care practitioner who [provides a certification] authorizes a patient for the medical use of marijuana or who provides a written instruction for the medical use of marijuana to a qualifying patient pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and any '[alternative treatment center] medical marijuana dispensary'¹ shall furnish to the Director of the Division of Consumer Affairs in the Department of Law and Public Safety such information, on a daily basis and in such a format [and at such intervals.] as the director shall prescribe by regulation, for inclusion in a system established to monitor the dispensation of marijuana in this State for medical use as authorized by the provisions of P.L.2009, c.307 (C.24:6I-1 et al.) '[which¹]. The' system shall serve the same purpose as, and be cross-referenced with, the electronic system for monitoring controlled dangerous substances established pursuant to section 25 of P.L.2007, c.244 (C.45:1-45) ¹, and shall be compatible with the software system developed by the Department of Health pursuant to section 20 of P.L. , c. (C.) (pending before the Legislature as this bill)'¹.

b. The Director of the Division of Consumer Affairs, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and in consultation with the Commissioner of Health [and Senior Services], shall adopt rules and regulations to effectuate the purposes of subsection a. of this section.

c. Notwithstanding any provision of P.L.1968, c.410 (C.52:14B-1 et seq.) to the contrary, the Director of the Division of Consumer Affairs shall adopt, immediately upon filing with the Office of Administrative Law and no later than the 90th day after the effective date of P.L.2009, c.307 (C.24:6I-1 et al.), such regulations as the director deems necessary to implement the provisions of subsection a. of this section. Regulations adopted pursuant to this subsection shall be effective until the adoption of rules and regulations pursuant to subsection b. of this section and may be amended, adopted, or readopted by the director in accordance with the requirements of P.L.1968, c.410 (C.52:14B-1 et seq.).

(cf: P.L.2009, c.307, s.11)

INSERT NEW SECTION 28 TO READ:

¹28. (New section) a. It is the intent of the Legislature that the department promote diversity and participation by diverse groups in activities related to the cultivation, processing, dispensing, and use of

medical marijuana, including, but not limited to, women, minorities, veterans, individuals with disabilities, and individuals who are lesbian, gay, bisexual, transgender, or questioning (LGBTQ). In order to further this intent, the department shall adopt and implement policies that:

(1) ensure diverse groups are provided equal opportunity in the permit application process; and

(2) promote the participation of diverse groups in the operations of permitted facilities by affording equal access to employment opportunities.

b. To facilitate participation by diverse groups in the cultivation, processing, and dispensing of medical marijuana, the department shall:

(1) conduct necessary outreach, including consulting with other State departments, divisions, agencies, boards, and other entities as may be necessary to identify diverse groups that may be eligible for inclusion in cultivation, processing, and dispensing operations authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the Legislature as this bill);

(2) provide sufficient and continuous notice of opportunities for inclusion in cultivation, processing, and dispensing operations authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the Legislature as this bill) using the department's Internet website;

(3) include in permit applications pursuant to section 10 of P.L. , c. (C.) (pending before the Legislature as this bill) language to encourage applicants to utilize and provide consideration to diverse groups when contracting for professional services.

c. Commencing one year after the effective date of P.L. , c. (C.) (pending before the Legislature as this bill), and thereafter on an annual basis, the department shall submit, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), a report to the Legislature summarizing the participation and inclusion of diverse groups in cultivation, processing, and dispensing operations authorized pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the Legislature as this bill), including:

(1) the percentage of the total numbers of individuals and activities undertaken pursuant to P.L.2009, c.307 (C.24:6I-1 et al.) and P.L. , c. (C.) (pending before the Legislature as this bill) that involve diverse groups;

(2) a summary of how diverse groups are utilized by permitted entities, including a description of any goods or services provided by diverse groups; and

(3) any other information as the department may require. '

RENUMBER SECTIONS 19 AND 20 AS SECTIONS 29 AND 30

REPLACE SYNOPSIS TO READ:

"Jake Honig's Law"; revises requirements to authorize and access medical marijuana; establishes requirements for institutional caregivers; revises permit requirements for alternative treatment centers; and establishes additional legal protections for patients and caregivers.

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