

NewsRoom

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Time to disband N.J. commission regulating weed? One state senator, sick of complaints, thinks so.

Susan K. Livio, Jelani Gibson; nj.com

EDITOR'S NOTE: Interested in the business and networking side of cannabis? NJ Cannabis Insider is hosting a cannabis business networking event on May 18. Tickets are limited.

The New Jersey Cannabis Regulatory Commission turned two years old this month — a milestone Chairwoman Dianna Houenou heralded at the monthly meeting on Thursday by proudly listing some its accomplishments: tripling the number of medicinal marijuana shops, approving 50 new businesses and launching the first recreational sales a year ago.

"Our work is bearing fruit," Houenou said, thanking the commission staff for its work and the public its support. "I'm excited to see what comes next."

If one state senator has his way, what may happen next would shelve the autonomous commission entirely, NJ Advance Media has learned.

Sen. Vin Gopal, D-Monmouth, said Thursday he intends to draft legislation that would place the responsibilities of regulating the cannabis market in the state inside a cabinet-level state department, such as Treasury or Health. Cabinet-level officials can be called before the legislature.

"There needs to be more accountability," Gopal told NJ Advance Media. From his vantage point, the commission, also known as the CRC, is "extremely ineffective" and "lacks transparency."

The commission declined to comment.

For months, Gopal said, he's heard detailed complaints from aspiring entrepreneurs with licenses to grow or sell who have invested hundreds or thousands of dollars into hiring consultants and lawyers and signing building leases. They've received no clear sign when the commission will sign off. They are running out of money and patience, the senator said.

Ron Wollner of Denver Cole Farms LLC, who holds a license as a social equity applicant to build a cultivation site in Eatontown, was one of the half dozen applicants who have contacted Gopal out of frustration.

Wollner said he was told six months ago his application to start construction was approved. All he needed was the five-member commission to vote on it. But every month he waits, he bleeds money.

"I could go forward to build out the space. But it's a very big risk for me. You are talking millions of dollars," Wollner said. He said he has invested nearly \$300,000 in the project so far.

Gopal said he became convinced that a change was needed after the commission canceled its meeting next month. More delays for applicants like Wollner are "really unfair," he said.

During the meeting, Houenou announced the cancelation of the May meeting will allow the staff "to catch up on its work" reviewing and approving applications.

Gopal has approached state Senate President Nick Scutari and Gov. Phil Murphy's senior advisers about his intentions. He said they are willing to consider the proposal when he shares a draft of the legislation.

Scutari, D-Union, confirmed Thursday that Gopal had told him he was drafting legislation that could potentially dissolve the commission and establish it with less independence. He declined to take a position until he reviewed the draft. But in the interest of "making government move more effectively," Scutari said it was an idea "worth exploring."

"He's not the first person to complain," Scutari added.

Scutari credited the agency for its hard work. "They had had a lot of work to do creating an entire industry. There are going to be snafus." But, he added, "there continues to be rumblings of concern."

The prime sponsor of the medical marijuana and recreational marijuana laws, Scutari held a five-hour hearing 11 months ago at which the commission's Executive Director Jeff Brown was asked to explain why it took so long to open the recreational market and approve applications for new cultivators, growers and sellers.

At the hearing, Brown defended the commission's work, noting that in the 13 months since it was created, the staff had created rules for the brand-new industry, held 15 public hearings and awarded more than 100 licenses. "We have had one of the fastest timelines to new business applications. We're on par with other states," Brown told the Senate Judiciary Committee.

On Thursday, the commission declined to renew the annual license for Curaleaf, a south Jersey operator, to sell recreational marijuana, citing the company's labor and personnel problems.

Instead of giving the CRC less power and dissolving it, the Legislature needs to focus on giving it more, said Leo Bridgewater, a longtime cannabis activist who played a large role in the initial legalization. Bridgewater described Gopal's proposal as "nuclear" and "irresponsible" with ulterior motives.

Bridgewater pointed to a recent example of the State Democratic Chair using his lobbying firm to represent cannabis applicants and said the commission's independence was established to be separated from the political bossism New Jersey is known for.

"They're shielded, that's why he wants oversight," Bridgewater said of Gopal's proposal.

"I think it's personal," he said of Gopal's intentions. "There's some kind of connection to this for him. Somebody he knows or somebody he's close to didn't get whatever it is they want."

Bill Caruso, an attorney with Archer Law and general counsel for the New Jersey CannaBusiness Association, called the idea "a huge mistake and a giant step backwards."

"We are far ahead of our neighbors in New York, Pennsylvania and Delaware. I don't see any reason why we would want to destroy that progress," Caruso said.

A spokeswoman for Murphy's office declined comment.

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---- **Index References** ----

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