## AN ORDINANCE OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF MONROE TO AMEND SECTION 175-163.4 OF THE CODE OF THE TOWNSHIP OF MONROE, ENTITLED "CANNABIS"

**WHEREAS,** the Township Council of the Township of Monroe has recommended certain amendments to Chapter 175-163.4 of the Code of the Township of Monroe and has determined that it is in the best interest of the Township to amend this specific section.

**NOW, THEREFORE, BE IT ORDAINED** by the Township Council of the Township of Monroe that the Code of the Township of Monroe is hereby amended to include the amendments herein.

**SECTION I.** Chapter 175, entitled "Land Management" § 175-163.4 entitled "Cannabis" is hereby amended and supplemented as follows:

- § 175-163.4 Cannabis.
- A. Purpose.

The purpose of this chapter is to protect the public health, safety, and welfare of the residents, businesses and property in Monroe Township by prescribing the manner in which cannabis businesses can be conducted within its borders, regulating its cultivation, production, and distribution in a manner that is consistent with P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act" and to minimize negative impacts on the community. It is intended to provide a means of cultivation, production, and wholesale distribution of cannabis to licensed businesses pursuant to the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act", while protecting the public health and safety through reasonable limitations on business operations as they relate to noise, air, and water safety, as well as public safety. Furthermore, pursuant to the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act", while protecting the public health and safety through reasonable limitations on business operations as they relate to noise, air, and water safety, as well as public safety. Furthermore, pursuant to the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act", the Township is authorized to impose fees on the sales or equivalent transfers from cannabis-based businesses.

- B. Definitions.
  - (1) As used in this section, the following terms shall have the meanings indicated:
    - CANNABIS

All parts of the plant Cannabis sativa L., whether growing or not, the seeds thereof, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds, except those containing resin extracted from the plant, which are cultivated and, when applicable, manufacturered1 in accordance with P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act" products as set forth in this act, but shall not include the weight of any other ingredient combined with cannabis to prepare topical or oral administrations, food, drink, or other product. "Cannabis" does not include: medical cannabis

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dispensed to registered qualifying patients pursuant to the "Jake Honig Compassionate Use Medical Cannabis Act," P.L.2009, c.307 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.); marijuana as defined in N.J.S.2C:35-47 2 and applied to any offense set forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey Statutes, or P.L.2001, c.114 (C.2C:35B-1 et seq.), or marihuana as defined in section 2 of P.L.1970, c.226 (C.24:21-2) and applied to any offense set forth in the "New Jersey Controlled Dangerous Substances Act," P.L.1970, c.226 (C.24:21-1 et al.); or hemp or a hemp product cultivated, handled, processed, transported, or sold pursuant to the "New Jersey Hemp Farming Act," P.L.2019, c.238 (C.4:28-6 et al.).

### CANNABIS CULTIVATOR

Any licensed person or entity that grows, cultivates, or produces cannabis in this State, and sells, and may transport, this cannabis to other cannabis cultivators, or usable cannabis to cannabis manufacturers, cannabis wholesalers, or cannabis retailers, but not to consumers. Cannabis Cultivators refer to those uses that require possession of a Class 1 Cannabis Cultivator license under the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act."

### CANNABIS DELIVERY SERVICE

Any licensed person or entity that provides courier services for consumer purchases of cannabis items and related supplies fulfilled by a cannabis retailer to make deliveries of the cannabis items and related supplies to that consumer, and which services include the ability of a consumer to purchase the cannabis items directly through the cannabis delivery service, which after presenting the purchase order to the cannabis retailer for fulfillment, is delivered to that consumer. Cannabis delivery services refer to those uses that require possession of a Class 6 Cannabis Delivery license.

### CANNABIS DISTRIBUTOR

Any licensed person or entity that transports cannabis in bulk intrastate from one licensed cannabis cultivator to another licensed cannabis cultivator, or transports cannabis items in bulk intrastate from any one class of licensed cannabis establishment to another class of licensed cannabis establishment and may engage in the temporary storage of cannabis or cannabis items as necessary to carry out transportation activities. Cannabis distributors refer to those uses that require possession of a Class 4 Cannabis Distributor license under the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act."

#### CANNABIS ESTABLISHMENT

A cannabis (grower) cultivator, also referred to as a cannabis cultivation facility, a cannabis (processor) manufacturer, also referred to as a cannabis product manufacturing facility, a cannabis wholesaler, or a cannabis retailer.

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#### CANNABIS MANUFACTURER

Any licensed person or entity that processes cannabis items in this State by purchasing or otherwise obtaining usable cannabis, manufacturing, preparing, and packaging cannabis items, and selling, and optionally transporting, these items to other cannabis manufacturers, cannabis wholesalers, or cannabis retailers, but not to consumers. Cannabis manufacturers refer to those uses that require a Class 2 Cannabis Manufacturer license under the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act."

### CANNABIS RETAILER

Any licensed person or entity that purchases or otherwise obtains usable cannabis from cannabis cultivators and cannabis items from cannabis manufacturers or cannabis wholesalers, and sells these to consumers from a retail store, and may use a cannabis delivery service or a certified cannabis handler for the off-premises delivery of cannabis items and related supplies to consumers. A cannabis retailer shall also accept consumer purchases to be fulfilled from its retail store that are presented by a cannabis delivery service which will be delivered by the cannabis delivery service to that consumer. Cannabis retailers refer to those uses that require possession of a Class 5 Cannabis Retailer license under the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act."

### CANNABIS WHOLESALER

Any licensed person or entity that purchases or otherwise obtains, stores, sells or otherwise transfers, and may transport, cannabis items for the purpose of resale or other transfer to either another cannabis wholesaler or to a cannabis retailer, but not to consumers. Cannabis wholesalers refer to those uses that require of a Class 3 Cannabis Wholesaler license under the P.L. 2021, c. 16, known as the "New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act."

#### LICENSE

A license issued under relevant state law including a license that is designated as either a:

- (a) Class 1 cannabis (grower) cultivator license.
- (b) Class 2 cannabis (processor) manufacturer license.
- (c) Class 3 cannabis wholesaler license.
- (d) Class 4 cannabis distributor class 5 cannabis retailer license.
- (e) Class 6 cannabis delivery license.

The term includes a conditional license for a designated class, except when the context of the provisions of relevant state law otherwise intend to only apply for a license and not a conditional license.

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- C. Municipal Licensing.
  - (1) Laws applicable. All applications for licenses, all licenses issued and all proceedings under this article shall be in accordance with the Act, rules, regulations, and all other applicable laws of the State of New Jersey.
  - (2) Issuing authority. All licenses required by this article shall be issued by the Township Council, which shall also administer the provisions of this article.
  - (3) License required. It shall be unlawful for any person, firm, or corporation to own or operate within this municipality any recreational cannabis businesses for the cultivation, manufacture, wholesale, and distribution of cannabis as well as its retail sale and delivery without first having obtained a properly issued license that is issued in accordance with the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (P.L. 2021, c. 16) and the provisions of this article.
  - (4) Application. Persons wishing to obtain any class cannabis license shall file a license application with the Clerk's Office on a standardized form established by the Clerk's Office and available in the Clerk's Office. An application shall be deemed incomplete, and shall not be processed by the Administration, until all documents and application fees are submitted. Upon submission of said application the Director of Law Township Solicitor shall review said application for completeness. If the Director of Law Township Solicitor deems the application is deficient he/she shall notify said applicant of any deficiency within 14 days of receipt of said application. Thereafter, said applicant shall have any deficiency in said application cured within 10 days of the date of said notice. Notice shall be in writing sent certified and regular mail to the address provided by said applicant. To be deemed complete, all applications shall be accompanied by the following:
    - (a) Persons wishing to obtain any class of cannabis license shall demonstrate commitment or sufficient experience as reasonable employers, defined as being a party to a labor peace agreement or the applicant entity or its parent company being a party to a collective bargaining agreement in the regulated cannabis industry for at least one year prior to application for a cannabis establishment license, in an effort to create well-paying jobs with employee benefits in the municipality. In the event of new construction or a remodel, the municipality will also require a Project Labor Agreement to be in place, in accordance with N.J.S.A. 34:11-56.25 et seq.
    - (b) The facility must have a valid license to operate a cannabis establishment from the State of New Jersey.
    - (c) The applicant shall submit proof that the applicant has or will have lawful possession of the premises proposed for the cannabis establishment, which proof may consist of a deed, a lease, a real estate contract contingent upon

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successful licensing, or a binding letter of intent by the owner of the premises indicating an intent to lease the premises to the entrant contingent upon successful licensing.

- (d) The applicant shall submit an affidavit and documentary proof of compliance with all state and local laws regarding affirmative action, antidiscrimination, and fair employment practices. The applicant shall also certify under oath that they will not and shall not discriminate based on race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations.
- (e) The location proposed for licensing by the applicant shall comply with all applicable municipal zoning laws and the location restrictions set forth in this Code.
- (f) The applicant shall submit to the satisfaction of Monroe Township proof of financial capability to open and operate the cannabis establishments for which the applicant is seeking a license. Standards for proof of financial capability shall be determined by the Township. Such proof may include tax returns, audited financials, or any other documents determined to be suitable by Monroe Township. Such proof and/or documents may be further outlined in the Township's application for licensing.
- (g) The non-refundable application fee for the initial license and license renewal for Classes 1 through 6 licenses shall be as follows:
  - (i) Class 1 cannabis (grower) cultivator: \$500.
  - (ii) Class 2 cannabis (processor) manufacturer: \$500.
  - (iii) Class 3 cannabis wholesaler: \$500.
  - (iv) Class 4 cannabis distributor: \$500.
  - (v) Class 5 cannabis retailer: \$500.
  - (vi) Class 6 cannabis deliverer: \$500.
- (h) In addition to complying with any state requirement related to good character and criminal background, any person proposed to have an ownership interest in the license shall not have had any cannabis license or permit revoked for a violation affecting public safety in the State of New Jersey or a subdivision thereof within the preceding five years.
- (i) The applicant and the application shall otherwise comply with any and all qualification standards set forth in the state and Township laws or regulations.
- (5) Probate License fees. The annual license fees and maximum number of licenses for the cultivation, manufacture, wholesale, distribution, retail sale and delivery of cannabis shall be as follows:

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(a) The initial license fee for Classes 1 through 6 licenses shall be as follows:

- (i) Class 1 cannabis (grower) cultivator: \$10,000 per location.
- (ii) Class 2 cannabis (processor) manufacturer: \$10,000 per location.
- (iii) Class 3 cannabis wholesaler: \$10,000 per location.
- (iv) Class 4 cannabis distributor: \$10,000 per location.
- (v) Class 5 cannabis retailer: \$10,000 per location.
- (vi) Class 6 cannabis deliverer: \$10,000 per deliverer.
- (b) The license renewal fee for Classes 1 through 6 licenses shall be as follows:
  - (i) Class 1 cannabis (grower) cultivator: \$2,500 per location.
  - (ii) Class 2 cannabis (processor) manufacturer: \$2,500 per location.
  - (iii) Class 3 cannabis wholesaler: \$2,500 per location.
  - (iv) Class 4 cannabis distributor: \$2,500 per location.
  - (v) Class 5 cannabis retailer: \$2,500 per location.
  - (vi) Class 6 cannabis deliverer: \$2,500 per deliverer.
- (c) The annual renewal applications for Classes 1 through 6 licenses shall be submitted between July 1<sup>st</sup> and August 1<sup>st</sup> of every year with all licenses expiring on August 31<sup>st</sup> of each year.
- (d) Cannabis establishments or cannabis deliverers that are operating without the applicable license under § 175A-3(C) prior to the passage of this Section shall be permitted to operate within the Township subject to a submission of a renewal application and the payment of the renewal license fee as set forth in § 175A-3(D)(2).
- (e) There shall be a maximum of eight Class 5 licenses issued, with no maximum limit on the number of licenses issued to Classes 1, 2, 3, 4, and 6.
- (f) The non-refundable license <u>application</u> fee is due upon the applicant's submission of an application. Thereafter, any initial licensing fee or renewal fee will be due and owing upon Township Council's approval of said license.
- (6) Municipal License Fee Reductions. For all licensed cannabis business operations, the annual licensing renewal fees established within § 175A-3(D)(2) of the Township Code shall be reduced by the following amounts for the applicable year if the Code shall be reduced by the following amounts for the applicable year if the business entity can demonstrate the following:
  - (a) Any business that can provide proof that at least 1/3 of its employees are residents of the Township of Monroe shall be entitled to a 25% reduction of the licensure fee, or remaining fee if a reduction has already been applied under this section.

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- (i) In order to receive a reduction under this section, the business entity must provide adequate proof of employment and residency, in the form of payroll history (amounts redacted), providing proof of current residency and proof of at least nine months of employment.
- (ii) The Township reserves the right to contact any employees referenced in order to verify employment and residency.

**SECTION II.** All prior Ordinances or parts of Ordinances inconsistent with the provisions of the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

**SECTION III.** If any word, phrase, clause, section or provision in this Ordinance shall be found by any Court of competent jurisdiction to be unenforceable, illegal, or unconstitutional, such word phrase, clause, section or provision shall be severable from the balance of the Ordinance and the remainder of the Ordinance shall remain in full force and effect.

**SECTION IV.** This Ordinance shall take place upon twenty (20) days after final passage and publication as required by law.

### **TOWNSHIP OF MONROE**

## CNCL. PRES., CHELSEA VALCOURT

ATTEST:

Twp. Clerk, Aileen Chiselko, RMC or Deputy Clerk, Jennifer Harbison, RMC

### **CERTIFICATION OF CLERK**

The foregoing Ordinance was introduced at a meeting of the Township Council of the Township of Monroe held on the 14<sup>th</sup> day of February, 2024, and will be considered for final passage and adoption at a meeting of the Township Council of the Township of Monroe to be held on 28<sup>th</sup> day of February, 2024 at the Municipal Building, 125 Virginia Avenue, Williamstown, New Jersey 08094, at which time any person interested therein will be given an opportunity to be heard.

Twp. Clerk, Aileen Chiselko, RMC or Deputy Clerk, Jennifer Harbison, RMC

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### ROLL CALL VOTE

### 1<sup>st</sup> Reading

	AYES	NAYS	ABSTAIN	ABSENT
Cncl. Adams				
Cncl. Fox				
Cncl. Garbowski				
Cncl. Heverly				
Cncl. McKinney				
Cncl. O'Reilly				
Cncl. Pres. Valcourt				
Tally:				

#### 2<sup>nd</sup> Reading

	AYES	NAYS	ABSTAIN	ABSENT
Cncl. Adams				
Cncl. Fox				
Cncl. Garbowski				
Cncl. Heverly				
Cncl. McKinney				
Cncl. O'Reilly				
Cncl. Pres. Valcourt				
Tally:				

The foregoing ordinance was hereby approved by the Mayor of the Township of Monroe on this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

# MAYOR GREGORY A. WOLFE