

Ord.# 19-2024

AN ORDINANCE OF THE TOWNSHIP OF MOUNT OLIVE, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE CODE OF THE TOWNSHIP OF MOUNT OLIVE TO PERMIT THE LICENSING AND OPERATION OF ONE CLASS 5 LICENSED CANNABIS RETAIL ESTABLISHMENT WITHIN CERTAIN ZONING DISTRICTS, ESTABLISHING LICENSING AND TAXATION REQUIREMENTS THEREFORE, CREATING NEW CHAPTER 394 OF THE TOWNSHIP CODE ENTITLED "LOCAL CANNABIS LICENSING AND REGULATIONS," AND CONTINUING TO PROHIBIT ALL OTHER CLASSES OF CANNABIS BUSINESSES WITHIN THE TOWNSHIP OF MOUNT OLIVE

CLERK:

Delivered to Mayor:

Date: 6/26/2024

Time: 9:30 am

Signed:   
Township Clerk  
Michelle DePinto

MAYOR:

Action by Mayor:


Approved:

Date: 6/26/24

Vetoed:

Date: \_\_\_\_\_

(Reasons for which Mayor has withheld approval of Ordinance, item or part Thereof.)

Signed:   
Mayor

CLERK:

Returned:

Date: 6/26/24

Time: 10:30 am

Not returned with in (10) days

Date: \_\_\_\_\_

Signed:   
Michelle DePinto,  
Township Clerk

**ORDINANCE# 19-2024**

**AN ORDINANCE OF THE TOWNSHIP OF MOUNT OLIVE, COUNTY OF MORRIS, STATE OF NEW JERSEY, AMENDING THE CODE OF THE TOWNSHIP OF MOUNT OLIVE TO PERMIT THE LICENSING AND OPERATION OF ONE CLASS 5 LICENSED CANNABIS RETAIL ESTABLISHMENT WITHIN CERTAIN ZONING DISTRICTS, ESTABLISHING LICENSING AND TAXATION REQUIREMENTS THEREFORE, CREATING NEW CHAPTER 394 OF THE TOWNSHIP CODE ENTITLED “LOCAL CANNABIS LICENSING AND REGULATIONS,” AND CONTINUING TO PROHIBIT ALL OTHER CLASSES OF CANNABIS BUSINESSES WITHIN THE TOWNSHIP OF MOUNT OLIVE**

**WHEREAS**, in the 2020 New Jersey General Election, 2,737,746 New Jersey residents voted “yes” to Public Question No. 1, to amend the New Jersey Constitution to legalize a controlled form of marijuana called “cannabis” for use by adults at least 21 years of age, the sale of which would be subject to State and local taxation; and

**WHEREAS**, the number of New Jersey residents voting in favor of legalizing the sale, adult use and local taxation of cannabis in the 2020 General Election amounted to over 67% of the total number of New Jersey residents that voted in the 2020 General Election; and

**WHEREAS**, at the municipal level, the percentage of Mount Olive residents voting in favor of legalizing the sale, adult use and local taxation of cannabis in the 2020 General Election exceeded that of the State by a full percentage point, as over 68% of the total number of Mount Olive residents voting in the 2020 General Election, or 3,433 of the 5,037 Mount Olive residents that voted on Public Question No. 1, voted “yes” to amend the New Jersey Constitution to legalize the controlled sale and use of “cannabis” by adults at least 21 years of age; and

**WHEREAS**, in the 2020 General Election, the total number of Mount Olive residents voting in favor of legalizing the sale, adult use and local taxation of cannabis surpassed that of every individual candidate for public office by 273 or more votes, and in many instances received over 1,000 votes more than a major leading party candidate for public office; and

**WHEREAS**, on February 22, 2021, Governor Murphy signed into law P.L. 2021, c. 16, known as the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act” (the “Act” or “CREAMMA”), which legalizes the commercial cultivation, sale, use and possession of cannabis by adults 21 years of age or older, and establishes a comprehensive regulatory and licensing scheme with respect to same; and

**WHEREAS**, the Act establishes six marketplace classifications for licensed cannabis businesses and establishments, which generally are as follows:

- Class 1 Cannabis Cultivator license, for facilities involved in growing and cultivating cannabis;
- Class 2 Cannabis Manufacturer license, for facilities involved in the manufacturing, preparation, and packaging of cannabis items;
- Class 3 Cannabis Wholesaler license, for facilities involved in obtaining and selling cannabis items for later resale by other licensees;
- Class 4 Cannabis Distributor license, for businesses involved in transporting cannabis plants in bulk from one licensed cultivator to another licensed cultivator, or cannabis items in bulk from any type of licensed cannabis business to another;
- Class 5 Cannabis Retailer license for locations at which cannabis items and related supplies are sold to consumers; and
- Class 6 Cannabis Delivery license, for businesses providing courier services for consumer purchases that are fulfilled by a licensed cannabis retailer in order to make deliveries of the purchased items to a consumer, and which service would include the ability of a consumer to make a purchase directly through the cannabis delivery service which would be presented by the delivery service for fulfillment by a retailer and then delivered to a consumer.

**WHEREAS**, section 31a of the Act, N.J.S.A. 24:6I-45a, authorizes municipalities to adopt ordinances and regulations governing the number of any class of licensed “cannabis establishment” (defined in section 3 of the Act, N.J.S.A. 24:6I-33, as “a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer”), cannabis distributors and cannabis delivery services allowed to operate from a principal location within their municipal boundaries, as well as the location, manner and times of operation of such establishment, cannabis distributors and/or cannabis delivery services, except that that time of operations for cannabis delivery services shall only be subject to the regulation by the Cannabis Regulatory Commission (the “Commission” or “CRC”); and

**WHEREAS**, section 31a of the Act, N.J.S.A. 24:6I-45a further authorizes each municipality to establish and enforce certain civil penalties for violations of any ordinances or regulations governing the number of cannabis establishments, distributors or delivery services allowed to operate within the boundaries of a municipality, and/or their location, manner and/or times of operation; and

**WHEREAS**, section 31b of the Act, N.J.S.A. 24:6I-45b, authorizes municipalities to adopt and enforce ordinances prohibiting the operation of any one or more classes of cannabis establishments, distributors, and/or cannabis delivery services from anywhere within the geographical jurisdiction of a municipality, but not the actual delivery and transportation of cannabis items and related supplies by a New Jersey licensed cannabis delivery service operating from a licensed principal location outside the geographical boundaries of the municipality; and

**WHEREAS**, section 31b of the Act, N.J.S.A. 24:6I-45b, also stipulates that any municipal ordinance prohibiting the operation of any one or more classes of cannabis establishments, distributors or delivery services anywhere in a municipality must be adopted within 180 days of the effective date of CREAMMA (August 21, 2021); and

**WHEREAS**, due to the above legislative requirements, and the fact that at that time no regulations had yet been adopted at the State level pertaining to adult use cannabis and the uncertainties regarding potential future impacts these businesses might have on New Jersey municipalities, the Township Council of the Township of Mount Olive opted to adopt Ordinance No. 10-2021 on May 4, 2021, prohibiting outright the operation of cannabis establishments, distributors and deliver services within the Township; and

**WHEREAS**, since the adoption of Ordinance No. 10-2021, the State of New Jersey CRC enacted stringent regulations and standards on the oversight and safe operation of cannabis establishments, distributors and delivery services; and

**WHEREAS**, in particular, on August 19, 2021, the CRC adopted its first set of regulations and rules governing the licensing and operation of cannabis establishments, distributors and delivery services, which regulations and rules are set forth at N.J.A.C. 17:30-1 through N.J.A.C. 17:30-17.9 (“CRC’s Rules”); and

**WHEREAS**, over the last several years, the CRC has amended, further refined and clarified its regulations to address loopholes and uncertainties in the law, published considerable guidance on the regulation, licensing and oversight of cannabis establishments, distributors and delivery services to ensure public confidence and the success of such businesses without compromising the safety of the public; and

**WHEREAS**, over the last several years the Township have received inquiries from persons and businesses operating in other municipalities and/or interested in operating cannabis establishments in the Township; and

**WHEREAS**, N.J.A.C. 17:30-5.1(b) of the CRC’s regulations explicitly authorizes any municipality that previously adopted an ordinance prohibiting outright the operation of any cannabis establishment, distributor or the principal location of any cannabis delivery service business within a municipality in accordance with N.J.S.A. 24:6I-45b, to later amend its ordinances to allow for the operation of such cannabis establishments, distributors and the principal locations of cannabis delivery service businesses; and

**WHEREAS**, section 31c of the Act, N.J.S.A. 24:6I-45c, authorizes municipalities to impose separate local licensing or endorsement requirements as part of its local ordinance restrictions on the number of cannabis establishments, distributors or delivery services and the time, location and manner of such cannabis establishments and businesses; and

**WHEREAS**, section 32 of the Act, N.J.S.A. 24:6I-21 authorizes municipalities by ordinance to regulate and/or prohibit the operation of cannabis consumption areas operated by licensed cannabis retailers, alternative treatment centers; and

**WHEREAS**, section 40 of the Act, N.J.S.A. 40:48I-1, authorizes municipalities to adopt ordinances imposing a local transfer tax and/or user tax on the gross receipts from the sale and/or transfer of cannabis and cannabis items from cannabis establishments located in the municipality to other cannabis establishments and from the gross receipts of the retail sale of cannabis and cannabis items from cannabis retailers to retail consumers, or any combination thereof combination thereof, and sets forth the limits for same; and

**WHEREAS**, the current law and regulations recognize that municipalities play an important role in regulating the new cannabis industry and are thus permitted to enact restrictions on cannabis establishments and cannabis businesses and facilities that make sense for the community; and

**WHEREAS**, the Township Council of the Township of Mount Olive recognizes the importance of fostering economic opportunities that provide jobs and ratables to the community, while ensuring that such uses can safely operate and seamlessly fit into the fabric of the community through the adoption and enforcement of local licensing and regulatory ordinances; and

**WHEREAS**, the Township Council has determined that the cultivation, manufacturing, wholesale, and distribution of cannabis and cannabis items, as well as the principal locations of cannabis delivery services continue to pose special local concerns and therefore should continue to be prohibited outright from being located within the Township; and

**WHEREAS**, the Township Council also finds that retail cannabis establishments pose less of an impact on the community so long as they are located in appropriate areas of the Township and are subject to strict local licensing and regulatory control; and

**WHEREAS**, the Township Council desires to amend its ordinances to authorize the local licensing and regulation of no more than one (1) local cannabis retailer license and to permit operation of such by a New Jersey CRC licensed cannabis retailer within the Township's C1 and C-2 Commercial Districts, which currently allow for the retail sales of goods and services, subject to both local municipal licensing and regulations requirements, while also continuing to prohibit outright the operation of all other cannabis establishments, cannabis distributors and the primary operating location for cannabis delivery services, from within the geographic boundaries of the Township in accordance with N.J.S.A. 24:6I-45 and N.J.S.A. 40:48-2 of the New Jersey Home Rule Act.

**NOW THEREFORE, BE IT ORDAINED**, by the Township Council of the Township of Mount Olive, County of Morris, State of New Jersey, as follows:

**SECTION 1.** Part IV "Land Use Procedures/Land Use," Chapter 550, Article VI "Zoning" Section 100.1, "Cannabis businesses prohibited," is amended as follows (additions noted in bold italics *thus* and deletions noted with a ~~strikethrough~~):

**§550-100.1**

**A.** Definitions. For purposes of this chapter, the following definitions shall apply:

***ACT or “CREAMMA”***

*The “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act,” P.L. 2021, c. 16, N.J.S.A. 24:6I-31, et seq., as may be amended from time-to-time in accordance with State law.*

***ALTERNATIVE TREATMENT CENTER or PRE-EXISTING ALTERNATIVE TREATMENT CENTER***

*An organization issued a permit, conditional permit, and/or a vertically integrated permit pursuant to the “Jake Honing Compassionate Use Medical Cannabis Act,” N.J.S.A. 24:6I-1 et al.) to operate as a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary or clinical registrant; as well as any alternative treatment center deemed pursuant to section 7 of the “Jake Honing Compassionate Use Medical Cannabis Act” (C. 24:26I-7) to concurrently hold a medical cannabis cultivator permit, a medical cannabis manufacturer permit, and a medical cannabis dispensary permit and/or any alternative treatment center deemed to concurrently hold any one or more class(es) of Cannabis Licensed Marketplace license(s) pursuant to PL. 2021, c. 16 §33, N.J.S.A. 24:6I-46, and P.L. 2021, c.16 §34, amending N.J.S.A. 24:6I-7.*

**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, manufactured in accordance with P.L. 2016, c. 16, for use in cannabis 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 dispensed to registered qualifying patients pursuant to the “Jake Honig Compassionate Use Medical Cannabis Act,” P.L. 2009, c. 307 (N.J.S.A. 24:6I-1 et seq.) and P.L. 2015, c. 158 (N.J.S.A. 18A:40-12.22 et seq.); marijuana as defined in N.J.S.A. 2C:35-2 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 (N.J.S.A. 2C:35B-1 et seq.), or marihuana as defined in Section 2 of P.L. 1970, c. 226 (N.J.S.A. 24:21-2), and applied to any offense set forth in the New Jersey Controlled Dangerous Substances Act, P.L. 1970, c. 226 (N.J.S.A. 24:21-1 et seq.); 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 (N.J.S.A. 4:28-6 et seq.).

***CANNABIS CONSUMPTION AREA***

*As further described in section 28 of P.L.2019, c. 153 (C.24:6I-21), a designated location operated by a licensed cannabis retailer or permit holder for dispensing medical cannabis, for which both a State and local endorsement has been obtained, that is either: (1) an indoor, structurally enclosed area of the cannabis retailer or permit holder that is separate from the area in which retail sales of cannabis items or the dispensing of medical cannabis occurs; or (2) an exterior structure on the same premises as the cannabis retailer or permit holder, either separate from or connected to the cannabis retailer or permit holder, at which cannabis items*

*or medical cannabis either obtained from the retailer or permit holder, or brought by a person to the consumption area, may be consumed.*

#### **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. *This person or entity shall hold a Class 1 Cannabis Cultivator license from the CRC.*

#### **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 in order 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. *The person or entity shall hold a Class 6 Cannabis Delivery license from the CRC.*

#### **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. *The person or entity shall hold a Class 4 Cannabis Distributor license from the CRC.*

#### **CANNABIS ESTABLISHMENT**

A cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer.

#### **CANNABIS EXTRACT**

*A substance obtained by separating resins from cannabis by: (1) a chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane, or propane; (2) a chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or (3) any other process identified by the Cannabis Regulatory Commission by rule or regulation.*

#### **CANNABIS FLOWER**

*The flower of the plant Cannabis sativa L. within the plant family Cannabaceae.*

#### **CANNABIS ITEM**

*Any usable cannabis, cannabis product, cannabis extract, and any other cannabis resin. "Cannabis item" does not include: any form of medical cannabis 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.); 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 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. **This person or entity shall hold a Class 2 Cannabis Manufacturer license.***

#### **CANNABIS PARAPHERNALIA**

*Any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing a cannabis item into the human body. “Cannabis paraphernalia” does not include drug paraphernalia as defined in N.J.S.2C:36-1 and which is used or intended for use to commit a violation of chapter 35 or 36 of Title 2C of the New Jersey Statutes.*

#### **CANNABIS PRODUCT**

*A product containing usable cannabis, cannabis extract, or any other cannabis resin and other ingredients intended for human consumption or use, including a product intended to be applied to the skin or hair, edible cannabis products, ointments, and tinctures. “Cannabis product” does not include: (1) usable cannabis by itself; or (2) cannabis extract by itself; or (3) any other cannabis resin by itself.*

#### **CANNABIS REGULATORY COMMISSION or “CRC”**

*The administrative agency of the State of New Jersey established pursuant to section 31 of P.L. 2019, c. 153, N.J.S.A. 24:6I-24, to review and approve or deny applications and issue licenses to operate as a Cannabis Establishment or Cannabis Delivery service at the State level independent of the Township’s local license regulations established by ordinance.*

#### **CANNABIS RESIN**

*The resin extracted from any part of the plant *Cannabis sativa* L., including cannabis extract and resin extracted using non-chemical processes, processed and used in accordance with P.L.2021, c. 16 (C.24:6I-31 et al.). “Cannabis resin” does not include: any form of medical cannabis 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.); hashish as defined in N.J.S.2C:35-2 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 as defined in section 2 of P.L.1970, c. 226 (C.24:21-2) and applied to*



*any offense of 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 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 retailer” further refers to those uses and activities that require issuance and possession of a valid current Class 5 Cannabis Retailer license from the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive in accordance with the Act, the regulations promulgated by the Cannabis Regulatory Commission and the local ordinances and regulations of the Township.*

## **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. *This person or entity shall hold a Class 3 Cannabis Wholesaler license*

## **LICENSE**

*A license issued under P.L.2021, c. 16 (C.24:6I-31 et al.), including a license that is designated as either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis Retailer license, or a Class 6 Cannabis Delivery license. The term includes a conditional license for a designated class, except when the context of the provisions of P.L.2021, c. 16 (C.24:6I-31 et al.) otherwise intend to only apply to a license and not a conditional license. “License” shall also mean a local annual license issued by the Township Council of the Township of Mount Olive in accordance with the Chapter 394 of the Township Code.*

## **LOCAL ANNUAL LICENSE**

*Shall mean an annual license issued by the Township of Mount Olive which a Licensed Cannabis Establishment, Cannabis Distributor and/or Cannabis Delivery Service, shall be required to obtain in order to lawfully operate within the jurisdictional boundaries of the Township in accordance with the Township’s ordinances and L. 2021, c. 16 §31 C (2), N.J.S.A. 24:6I-45C(2), in addition to a valid and current license separately issued by the Cannabis Regulatory Commission at the same license class and tier for the same location*

## **MEDICAL CANNABIS ORGANIZATION**

Any person or entity holding a *permit, endorsement* or license, or an applicant for a *permit, endorsement* or license, to operate as a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary, clinical registrant, or an alternative treatment center *and/or a vertically integrated permit as those terms are defined* under the Jake Honig Compassionate Use Medical Cannabis Act, P.L. 2009, c. 307 (N.J.S.A. 24:6I-1 et seq.).

B. ***Prohibition of Certain Cannabis Establishments, Cannabis Distributors and Cannabis Delivery Service Businesses.*** ~~Cannabis establishments, distributors and delivery services prohibited.~~

1. Pursuant to Section 31b of the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (P.L. 2021, c. 16) (N.J.S.A. 24:6I-45b), ***except for Class 5 Cannabis Retailer Establishments holding both a valid license issued by the New Jersey Cannabis Regulatory Commission and a valid local annual license issued by the Township of Mount Olive***, all other cannabis establishments, cannabis distributors and cannabis delivery services are hereby prohibited from operating anywhere ***within the jurisdiction of the Township of Mount Olive***. ~~; except that the delivery of cannabis items and related supplies directly to a consumer for personal use by a New Jersey licensed cannabis delivery service having its licensed premises based at a location outside the geographic boundaries of the Township, and which the delivery of such cannabis items and related supplies is initiated from such licensed location.~~
2. ***Except for Medical Cannabis Dispensaries which concurrently hold a valid permit issued by the New Jersey Cannabis Regulatory Commission and a valid Class 5 Cannabis Retailer license in accordance with N.J.S.A. 24:6I-7 and which also hold a valid local annual license issued by the Township of Mount Olive***, this prohibition shall be read and construed to apply equally to any and all medical cannabis organizations holding a ***permit or endorsement, including a vertically integrated permit or endorsement***, and/or applicants for such a license ***permit/endorsements***, issued ***by the New Jersey Cannabis Regulatory Commission*** under the Jake Honig Compassionate Use Medical Cannabis Act, P.L. 2009, c. 307 (N.J.S.A. 24:6I-1 et seq.), ***as well as any*** ~~to the extent such~~ medical cannabis organizations, ~~or applicants for such licenses,~~ ***which are deemed to concurrently hold or*** seek to concurrently operate or to otherwise hold a Class 1 Cannabis Cultivator license, Class 2 Cannabis Manufacturer license, Class 3 Cannabis Wholesaler license, Class 4 Cannabis Distributor license, ~~Class 5 Cannabis Retailer license~~ and/or a Class 6 Cannabis Delivery license ***pursuant to N.J.S.A. 24:6I-7 and/or*** N.J.S.A. 24:6I-46a(3)(a)(i) through 24:6I-46(3)(a)(iv) of the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act.
3. The concurrent operation of a Class 1 Cannabis Cultivator license, Class 2 Cannabis Manufacturer license, Class 3 Cannabis Wholesaler license, Class 4 Cannabis Distributor license, ~~Class 5 Cannabis Retailer license~~ and/or a Class 6 Cannabis Delivery license under Section 33 [N.J.S.A. 24:6I-46a(3)(a)(i) through 24:6I-

46(3)(a)(iv)] of CREAMMA the ~~New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act~~ is hereby prohibited at any *the* premises of a licensed medical cannabis organization, or applicant for such license, under the Jake Honig Compassionate Use Medical Cannabis Act, P.L. 2009, c. 307 (N.J.S.A. 24:6I-1 et seq.).

4. *Cannabis Consumption Area(s) are prohibited within the jurisdictional boundaries of the Township of Mount Olive.*
5. *Nothing herein shall be read or construed to prohibit the holder of a valid New Jersey Class 6 Cannabis Delivery Service license from transporting and delivering cannabis or cannabis items directly to a consumer 21 years of age or older.*

C. *Violations. Any person or entity found in violation of the provisions of this section shall be subject to a civil fine and/or penalty as set forth in Chapter 394 of the Township Code.*

**SECTION 2:** Part II. “General Legislation” of the Township Code is hereby amended to establish as new Chapter 394 entitled “Local Cannabis Licensing and Regulations” which shall state as follows:

## CHAPTER 394

### LOCAL CANNABIS LICENSING AND REGULATIONS

#### ARTICLE I

#### GENERAL PROVISIONS

#### § 394-1 Purpose and Application.

A. **Purpose.** This Chapter has been adopted by the Township Council of the Township of Mount Olive pursuant to its authority set forth under N.J.S.A. 24:6I-45 and N.J.S.A. 40:48I-1 of the New Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (the “Act” or “CREAMMA”) and N.J.S.A. 40:48-2 of the New Jersey Home Rule Act for the following purposes:

1. To protect the public health, safety, and general welfare of the residents of the Township of Mount Olive by establishing strict licensing limits and regulations on the lawful sale and use of legal cannabis and cannabis items by persons age 21 years or older from Class 5 Cannabis Retailer establishments holding both a valid State License issued by the New Jersey Cannabis Regulatory Commission (or successor regulatory agency or commission(s)) and a valid Local Annual License issued by the Township in conformity with the laws of the State of New Jersey and the Township Code, as may be amended from time-to-time hereafter.
2. To strictly regulate the local licensing, location and operation of licensed Cannabis establishments and Cannabis Establishments, Cannabis Distributors, and principal

locations of Cannabis Delivery Services, each as defined in N.J.S.A. 24:6I-33 of the Act, and to protect against the unlawful operation, sale, use of cannabis and marijuana.

3. To establish certain conditions and limitations on the number of cannabis licenses authorized to be issued within the municipal boundaries of the Township through the local licensing process.
4. To establish local regulations on the time, location and manner of licensed cannabis establishments and activities in accordance with State law.
5. To prohibit the operation of any Cannabis Establishment, Cannabis Distributor and Cannabis Delivery Service within the Township unless strictly in conformance with State and local laws.
6. To establish limitations on the number and types of Cannabis Establishment, Cannabis Distributor and Cannabis Delivery Service licenses and cannabis marketplace activities.

**B. Applicability.** The provisions herein shall apply to all persons and businesses within the Township of Mount Olive, and to all persons, businesses, applicants for licenses, prospective licensees and/or actual licensees of cannabis establishments, cannabis businesses, medical cannabis facilities, and other organizations and businesses either seeking to operate, operating and/or seeking to operate within the Township of Mount Olive as any class of licensed Cannabis Establishment, Cannabis Distributor and Cannabis Delivery Service pursuant to the Act.

#### **§ 394-2 Definitions.**

##### **“ACT” or “CREAMMA”**

Shall mean the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act,” P.L. 2021, c. 16, N.J.S.A. 24:6I-31, et seq., as may be amended from time-to-time in accordance with State law.

##### **ALTERNATIVE TREATMENT CENTER; PRE-EXISTING ALTERNATIVE TREATMENT CENTER; or MEDICAL CANNABIS ALTERNATIVE TREATMENT CENTER**

Shall mean an organization issued a permit, conditional permit, and/or a vertically integrated permit pursuant to the “Jake Honing Compassionate Use Medical Cannabis Act,” N.J.S.A. 24:6I-1 et al., to operate as a medical cannabis cultivator, medical cannabis manufacturer, medical cannabis dispensary or clinical registrant; as well as any alternative treatment center deemed pursuant to section 7 of the “Jake Honing Compassionate Use Medical Cannabis Act” (C. 24:26I-7) to concurrently hold a medical cannabis cultivator permit, a medical cannabis

manufacturer permit, and a medical cannabis dispensary permit and/or any alternative treatment center deemed to concurrently hold any one or more class(es) of Cannabis Licensed Marketplace license(s) pursuant to PL. 2021, c. 16 §33, N.J.S.A. 24:6I-46, and P.L. 2021, c.16 §34, amending N.J.S.A. 24:6I-7. These terms shall also include the organization’s officers, directors, board members and employees.

## **APPLICANT**

Shall mean a person or entity applying to the Township for a Local Annual License to operate a cannabis establishment within the Township in accordance with the Code of the Township of Mount Olive.

## **CANNABIS**

Shall mean all parts of the plant *Cannabis sativa* L., including indica and any and all hybrids, whether growing or not, the seeds and/or flower 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, manufactured in accordance with CREAMMA for use in products, including cannabis products, as set forth in that 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 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.A. 2C:35-2 and applied to any offense set forth in chapters 35, 35A, and 36 of Title 2C of the New Jersey Statutes, or N.J.S.A. 2C:35B-1 (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 CONSUMER**

Shall mean a person 21 years of age or older who purchases, directly or through a cannabis delivery service, acquires, owns, holds, or uses cannabis items for personal use by a person 21 years of age or older, but not for resale to others.

## **CANNABIS CONSUMPTION AREA**

Shall mean as further described in section 28 of P.L.2019, c. 153 (C.24:6I-21), a designated location operated by a licensed cannabis retailer or permit holder for dispensing medical cannabis, for which both a State and local endorsement has been obtained, that is either: (1) an indoor, structurally enclosed area of the cannabis retailer or permit holder that is separate from the area in which retail sales of cannabis items or the dispensing of medical cannabis occurs; or (2) an exterior structure on the same premises as the cannabis retailer or permit holder, either

separate from or connected to the cannabis retailer or permit holder, at which cannabis items or medical cannabis either obtained from the retailer or permit holder, or brought by a person to the consumption area, may be consumed.

### **CANNABIS CULTIVATOR**

Shall mean 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” refers to those uses and activities that require issuance and possession of a valid current Class 1 Cannabis Cultivator license from the New Jersey Cannabis Regulatory Commission and a valid local annual license from Township of Mount Olive in accordance with the Act, the regulations promulgated by the Cannabis Regulatory Commission and the local ordinances of the Township.

### **CANNABIS DELIVERY SERVICE**

Shall mean any licensed person or entity that provides courier services for consumer purchases of cannabis items and related supplies fulfilled by a cannabis retailer in order 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 service” refers to those uses and activities that require issuance and possession of a valid current Class 6 Cannabis Delivery license from the Cannabis Regulatory Commission in accordance with the Act and the regulations promulgated by the Cannabis Regulatory Commission.

### **CANNABIS DISTRIBUTOR**

Shall mean 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” refers to those uses and activities that require issuance and possession of a valid current Class 4 Cannabis Distributor license from the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive in accordance with the Act, the regulations promulgated by the Cannabis Regulatory Commission and the local ordinances of the Township.

### **CANNABIS ESTABLISHMENT**

Shall mean a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer, as defined under the Act.

## **CANNABIS EXTRACT**

Shall mean a substance obtained by separating resins from cannabis by: (1) a chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane, or propane; (2) a chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the process uses high heat or pressure; or (3) any other process identified by the Cannabis Regulatory Commission by rule or regulation.

## **CANNABIS FLOWER**

Shall mean the flower of the plant *Cannabis sativa* L. within the plant family Cannabaceae.

## **CANNABIS ITEM**

Shall mean any usable cannabis, cannabis product, cannabis extract, and any other cannabis resin available for lawful consumption pursuant to the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act,” P.L.2021, c.16 (C.24:6I-31 et al.). “Cannabis Item” does not include: any form of medical cannabis 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.); 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 LICENSED MARKETPLACE**

Shall mean a license issued under relevant State law including a license that is designated as either a:

- a. Class 1 Cannabis Cultivator license
- b. Class 2 Cannabis Manufacturer license
- c. Class 3 Cannabis Wholesaler license
- d. Class 4 Cannabis Distributor license
- e. Class 5 Cannabis Retailer license
- f. Class 6 Cannabis Delivery license

The term shall also include a conditional license for any one or more of the above designated class(es) except when the context of the provisions of relevant State law otherwise intend to only apply for a license and not a conditional license.

The term shall also include any activity related to cannabis cultivation, cannabis manufacturing, cannabis wholesale, cannabis distribution, cannabis retail and/or cannabis delivery service by a pre-existing alternative treatment center deemed to concurrently hold any one or more class(es) of the above-listed cannabis license(s) pursuant to PL. 2021, c. 16 §33, N.J.S.A. 24:6I-46, and P.L. 2021, c.16 § 34 of the Act, amending N.J.S.A. 24:6I-7; but shall not include the pre-existing alternative treatment’s activities related to medical cannabis cultivation, medical cannabis manufacturing, medical cannabis processing and/or medical cannabis dispensing by a pre-existing medical cannabis alternative treatment center pursuant to a license or conditional licensed issued by the State of New Jersey pursuant to the “Jake Honing Compassionate Use Medical Cannabis Act,” P.L. 2009, c. 307 (N.J.S.A. 24:6I-1 et seq.) and P.L. 2015, c. 158 (N.J.S.A. 18A:40-12.22 et seq.).

### **CANNABIS MANUFACTURER**

Shall mean 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 manufacturer” refers to those uses and activities that require issuance and possession of a valid current Class 2 Cannabis Manufacturer license from the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive in accordance with the Act, the regulations promulgated by the Cannabis Regulatory Commission, and the local ordinances of the Township.

### **CANNABIS PARAPHERNALIA**

Shall mean any equipment, products, or materials of any kind which are used, intended for use, or designed for use in planting, propagating, cultivating, growing, harvesting, composting, manufacturing, compounding, converting, producing, processing, preparing, testing, analyzing, packaging, repackaging, storing, vaporizing, or containing cannabis, or for ingesting, inhaling, or otherwise introducing a cannabis item into the human body. “Cannabis paraphernalia” does not include drug paraphernalia as defined in N.J.S.2C:36-1 and which is used or intended for use to commit a violation of chapter 35 or 36 of Title 2C of the New Jersey Statutes.

### **CANNABIS PRODUCT**

Shall mean a product containing usable cannabis, cannabis extract, or any other cannabis resin and other ingredients intended for human consumption or use, including a product intended to be applied to the skin or hair, edible cannabis products, ointments, and tinctures. “Cannabis product” does not include: (1) usable cannabis by itself; or (2) cannabis extract by itself; or (3) any other cannabis resin by itself.



## **CANNABIS REGULATORY COMMISSION, “COMMISSION” or “CRC”**

Shall mean the administrative agency of the State of New Jersey established pursuant to section 31 of P.L. 2019, c. 153, N.J.S.A. 24:6I-24, to review and approve or deny applications and issue licenses to operate as a Cannabis Establishment or Cannabis Delivery service at the State level independent of the Township’s local license regulations established by ordinance.

## **CANNABIS RESIN**

Shall mean resin extracted from any part of the plant *Cannabis sativa* L., including cannabis extract and resin extracted using non-chemical processes, processed and used in accordance with P.L.2021, c. 16 (C.24:6I-31 et al.). “Cannabis resin” does not include: any form of medical cannabis 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.); hashish as defined in N.J.S.2C:35-2 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 as defined in section 2 of P.L.1970, c. 226 (C.24:21-2) and applied to any offense of 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 RETAILER**

Shall mean 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 retailer” further refers to those uses and activities that require issuance and possession of a valid current Class 5 Cannabis Retailer license from the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive in accordance with the Act, the regulations promulgated by the Cannabis Regulatory Commission and the local ordinances of the Township.

## **CANNABIS WHOLESALER**

Shall mean a 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 wholesaler” further refers to those uses and activities that require issuance and possession of a valid current Class 3 Cannabis Wholesaler license from the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive in accordance with the Act, the regulations promulgated by the Cannabis Regulatory Commission and the local ordinances of the Township.

## **CONSUMPTION**

Shall mean the act of ingesting, inhaling, or otherwise introducing cannabis, medical cannabis marijuana, and/or cannabis items into the human body.

## **DELIVERY**

Shall mean the transportation of cannabis, cannabis items and related supplies to a consumer. “Delivery” shall also mean the use by a licensed cannabis retailer of any third party technology platform to receive, process, and fulfill orders by consumers, which third party shall not be required to be a licensed cannabis establishment, distributor, or delivery service, provided that any physical acts in connection with fulfilling the order and delivery shall be accomplished by a certified cannabis handler performing work for or on behalf of the licensed cannabis retailer, which includes a certified cannabis handler employed or otherwise working on behalf of a cannabis delivery service making off-premises deliveries of consumer purchases fulfilled by that cannabis retailer.

## **INDOOR PUBLIC PLACE**

Shall mean a structurally enclosed place of business, commerce or other service-related activity, whether publicly or privately owned or operated on a for-profit or nonprofit basis, which is generally accessible to the public, including, but not limited to: a commercial or other office building; office or building owned, leased or rented by the State or by a county or municipal government; public and nonpublic elementary or secondary school building; board of education building; theater or concert hall; public library; museum or art gallery; bar; restaurant or other establishment where the principal business is the sale of food for consumption on the premises, including the bar area of the establishment; garage or parking facility; any public conveyance operated on land or water, or in the air, and passenger waiting rooms and platform areas in any stations or terminals thereof; health care facility licensed pursuant to P.L.1971, c. 136 (C.26:2H-1 et seq.); patient waiting room of the office of a health care provider licensed pursuant to Title 45 of the Revised Statutes; child care center licensed pursuant to P.L.1983, c. 492 (C.30:5B-1 et seq.); race track facility; facility used for the holding of sporting events; ambulatory recreational facility; shopping mall or retail store; hotel, motel or other lodging establishment; apartment building lobby or other public area in an otherwise private building; or a passenger elevator in a building other than a single-family dwelling.

## **GIFTING**

Shall mean the sale of any object containing cannabis, cannabis item or cannabis product wherein the cannabis, cannabis item or cannabis product itself is assigned no or below market sales price.

## **LICENSE**

Shall mean a license issued under P.L.2021, c. 16 (C.24:6I-31 et al.), including a license that is designated as either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer

license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis Distributor license, a Class 5 Cannabis Retailer license, or a Class 6 Cannabis Delivery license. The term includes a conditional license for a designated class, except when the context of the provisions of P.L.2021, c. 16 (C.24:6I-31 et al.) otherwise intend to only apply to a license and not a conditional license.

## **LICENSEE**

Shall mean a person or entity that holds a valid local annual cannabis license issued by the Township pursuant to this Code and simultaneously holds a valid license issued by the Cannabis Regulatory Commission under P.L. 2021, c. 16 (C.24:6I-31 et al.) including a license that is designated as either a Class 1 Cannabis Cultivator license, a Class 2 Cannabis Manufacturer license, a Class 3 Cannabis Wholesaler license, a Class 4 Cannabis Distributor License, a Class 5 Cannabis Retailer License, a Class 6 Cannabis Delivery license, and also includes: a person or entity that holds a conditional license for a designated class; a person or entity holding a pre-existing Medical Cannabis Cultivator License, pre-existing alternative treatment center permit first issued by the State of New Jersey, Department of Health, Division of Medicinal Marijuana in accordance with the provisions of the “Jake Honig Compassionate Use Medical Cannabis Act” (P.L. 2009, c. 307, N.J.S.A. 24:6I-1 et seq., and P.L. 2015, c. 158, N.J.S.A. 18A:40-12.22 et seq.) prior to February 22, 2021, and approved by the Township to hold a concurrent municipal license to operate as a Class 1 Cannabis Cultivator, Class 2 Cannabis Manufacturer, Class 3 Cannabis Wholesaler and/or Class 4 Cannabis Distributor in accordance with the provisions hereinafter and P.L. 2021, c. 16 § 33, N.J.S.A. 24:6I-46, and P.L. 2021, c.16 §34, (amending N.J.S.A. 24:6I-7) of the Act.

## **LICENSED CANNABIS ENTITY**

Shall mean a Licensed Cannabis Establishment or a Licensed Medical Cannabis Facility as defined in this section.

## **LICENSED CANNABIS ESTABLISHMENT**

Shall mean a duly licensed Cannabis Cultivator, a Cannabis Manufacturer, a Cannabis Wholesaler, or a Cannabis Retailer (including Microbusiness(es) at each class and tier) licensed under the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, N.J.S.A. 24:6I-31, et. seq.

## **LICENSED MEDICAL CANNABIS FACILITY**

Shall mean a Medical Cannabis Cultivator, Medical Cannabis Manufacturer, Cannabis Dispensary, an/or an Alternative Treatment Center holding a valid current permit, including a vertical integrated permit, with all required endorsements, lawfully operating pursuant to the Jake Honig Compassionate Use Medical Cannabis Act, N.J.S.A. 24:6I-1, et. al.

## **LOCAL ANNUAL LICENSE**

Shall mean an annual license issued by the Township of Mount Olive which a Licensed Cannabis Establishment, Cannabis Distributor and/or Cannabis Delivery Service, shall be required to obtain in order to lawfully operate within the jurisdictional boundaries of the Township in accordance with the Township's ordinances and L. 2021, c. 16 §31 C (2), N.J.S.A. 24:6I-45C(2), in addition to a valid and current license separately issued by the Cannabis Regulatory Commission at the same license class and tier for the same location

## **MANUFACTURE**

Shall mean the drying, processing, compounding, or conversion of usable cannabis into cannabis products, cannabis items, or cannabis resins. "Manufacture" does not include packaging or labeling.

## **MEDICAL CANNABIS**

Shall mean cannabis 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.). "Medical cannabis" does not include any cannabis or cannabis item which is cultivated, produced, processed, and consumed in accordance with P.L.2021, c. 16 (C.24:6I-31 et al.).

## **MEDICAL CANNABIS CULTIVATOR**

Shall mean an organization holding a permit issued by the commission that authorizes the organization to: possess and cultivate cannabis and deliver, transfer, transport, distribute, supply, and sell medical cannabis and related supplies to other medical cannabis cultivators and to medical cannabis manufacturers, clinical registrants, and medical cannabis dispensaries, as well as to plant, cultivate, grow, and harvest medical cannabis for research purposes. A medical cannabis cultivator permit shall not authorize the permit holder to manufacture, produce, or otherwise create medical cannabis products, or to deliver, transfer, transport, distribute, supply, sell, or dispense medical cannabis, medical cannabis products, paraphernalia, or related supplies to qualifying patients, designated caregivers, or institutional caregivers.

## **MEDICAL CANNABIS DISPENSARY**

Shall mean means an organization issued a permit by the commission that authorizes the organization to: purchase or obtain medical cannabis and related supplies from medical cannabis cultivators; purchase or obtain medical cannabis products and related supplies from medical cannabis manufacturers; purchase or obtain medical cannabis, medical cannabis products, and related supplies and paraphernalia from other medical cannabis dispensaries and from clinical registrants; deliver, transfer, transport, distribute, supply, and sell medical

cannabis and medical cannabis products to other medical cannabis dispensaries; furnish medical cannabis, including medical cannabis products, to a medical cannabis handler for delivery to a registered qualifying patient, designated caregiver, or institutional caregiver consistent with the requirements of subsection i. of section 27 of P.L.2019, c. 153 (C.24:6I-20); and possess, display, deliver, transfer, transport, distribute, supply, sell, and dispense medical cannabis, medical cannabis products, paraphernalia, and related supplies to qualifying patients, designated caregivers, and institutional caregivers. A medical cannabis dispensary permit shall not authorize the permit holder to cultivate medical cannabis, to produce, manufacture, or otherwise create medical cannabis products.

### **MEDICAL CANNABIS MANUFACTURER**

Shall mean an organization issued a permit by the commission that authorizes the organization to: purchase or obtain medical cannabis and related supplies from a medical cannabis cultivator or a clinical registrant; purchase or obtain medical cannabis products from another medical cannabis manufacturer or a clinical registrant; produce, manufacture, or otherwise create medical cannabis products; and possess, deliver, transfer, transport, distribute, supply, and sell medical cannabis products and related supplies to other medical cannabis manufacturers and to medical cannabis dispensaries and clinical registrants. A medical cannabis manufacturer permit shall not authorize the permit holder to cultivate medical cannabis or to deliver, transfer, transport, distribute, supply, sell, or dispense medical cannabis, medical cannabis products, paraphernalia, or related supplies to registered qualifying patients, designated caregivers, or institutional caregivers.

### **MEDICAL USE OF CANNABIS**

Shall mean the acquisition, possession, transport, or use of cannabis or paraphernalia by a registered qualifying patient as authorized by P.L.2009, c. 307 (C.24:6I-1 et al.) and P.L.2015, c. 158 (C.18A:40-12.22 et al.).

### **MICROBUSINESS**

Shall mean a person or entity licensed under P.L.2021, c. 16 (C.24:6I-31 et al.) as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service that may only, with respect to its business operations, and capacity and quantity of product: (1) employ no more than 10 employees; (2) operate a cannabis establishment occupying an area of no more than 2,500 square feet, and in the case of a cannabis cultivator, grow cannabis on an area no more than 2,500 square feet measured on a horizontal plane and grow above that plane not higher than 24 feet; (3) possess no more than 1,000 cannabis plants each month, except that a cannabis distributor's possession of cannabis plants for transportation shall not be subject to this limit; (4) acquire each month, in the case

of a cannabis manufacturer, no more than 1,000 pounds of usable cannabis; (5) acquire for resale each month, in the case of a cannabis wholesaler, no more than 1,000 pounds of usable cannabis, or the equivalent amount in any form of manufactured cannabis product or cannabis resin, or any combination thereof; and (6) acquire for retail sale each month, in the case of a cannabis retailer, no more than 1,000 pounds of usable cannabis, or the equivalent amount in any form of manufactured cannabis product or cannabis resin, or any combination thereof.

### **MOBILE STRUCTURE or TEMPORARY STRUCTURE**

Shall mean any and all carts, carriages, pedicab(s) (as defined under N.J.S.A. 39:1-1), trailers and/or wagons, and any and all building(s) or structure(s) as defined under the Uniform Construction Code Act, N.J.S.A. 52:27D-121 et seq., that is/are either not permanently affixed to a parcel of land, or if so affixed to land, the structure or building is readily capable of being moved or removed without undergoing a substantial alteration to its building or structural system, and includes but not limited to: carts(s); food truck(s); greenhouse(s); manufactured home(s) or mobile home(s), as defined under N.J.S.A. 52:27D-121; pedicab(s) (as defined under N.J.S.A. 39:1-1); pole barn(s); pole trailer(s) (as defined under N.J.S.A. 39:1-1); portable on-demand storage structure(s); shipping container(s), whether in their original form or altered/repurposed; modular structure(s), industrialized modular building(s) and industrialized modular building components, as defined under the New Jersey Uniform Construction Code; recreational vehicle(s); tent(s); “tiny home(s)” “THOWS” or “tiny homes on wheels”; trailers(s), semi-trailers and/or motor-drawn trailers, as defined under N.J.S.A. 39:1-1, as being capable of being drawn by a motor-driven vehicle; wagons; and/or other movable structures.

### **MOTOR VEHICLE or VEHICLE**

Shall mean and refer to the following term every device in, upon or by which a person or property is or may be transported upon any roadway, regardless of the source of power, and includes but is not limited to the following terms, as specifically defined under N.J.S.A. 39:1-1: autocycle(s); automobile(s); bus(es), commercial motor vehicles; commuter van(s); farm tractor(s); high occupancy vehicle(s); limousine(s), whether leased or owned; leased motor vehicle(s); low-speed electric bicycle(s); low-speed electric scooter(s); low-speed vehicle(s); mobile home(s), when not physically attached to land; motorized bicycle(s); motorcycle(s); motor-drawn vehicle(s); motor vehicle(s); motorized scooter(s); omnibus(es) passenger automobile(s); pedicab(s), when equipped with a motor; pole trailer(s), when drawn by another vehicle; recreation vehicle(s); road tractor(s); school bus(es); semitrailer(s); street car(s); trackless trolley; trailer(s); truck(s); truck tractor(s); and/or vehicle(s).

### **PARAPHERNALIA**

Shall have the same meaning as given in N.J.S.A. 2C:36-1.

### **PERSONAL USE or RECREATIONAL USE**

Shall mean the purchase, sale, possession, and/or consumption of cannabis items by person(s) who are not a Registered Qualifying Patient under the “Jake Honing Compassionate Use Medical Cannabis Act” P.L. 2009, c. 307 (N.J.S.A.24:6I-1 et seq.) and P.L. 2015, c. 158 (N.J.S.A. 18A:40-12.22 et seq.).

### **PREMISES or LICENSED PREMISES**

Shall mean the following areas of a location licensed under P.L.2021, c.16 (C. 24:6I-31 et al.): all public and private enclosed areas at the location that are used in the business operated at the location, including offices, kitchens, rest rooms, and storerooms; all areas outside a building that the Cannabis Regulatory Commission has specifically licensed for the production, manufacturing, wholesaling, distributing, retail sale, or delivery of cannabis items; and, for a location that the commission has specifically licensed for the production of cannabis outside a building, the entire lot or parcel that the licensee owns, leases, or has a right to occupy.

### **PRODUCE**

Shall mean the planting, cultivation, growing or harvesting of cannabis. “Produce” does not include the drying of cannabis by a cannabis manufacturer, if the cannabis manufacturer is not otherwise manufacturing cannabis.

### **PUBLIC PLACE**

Shall mean any place to which the public has access that is not privately owned, including but not limited to any property owned or leased by the United States, federal agency, the Township of Mount Olive, the County of Morris, the State of New Jersey, any government institution, any agency or subdivision of the State of New Jersey, Board of Education, and/or public school system situated within the geographic boundaries of the Township of Mount Olive; and shall further mean any place to which the public has access, including, but not limited to, a public street, road, thoroughfare, sidewalk, bridge, alley, plaza, park, playground, public swimming pool, shopping area, public transportation facility, vehicle used for public transportation, parking lot, public library, or any other public building, structure, or area.

### **REGULATED ACTIVITY**

Shall mean the cultivation, growing, manufacture, wholesale, transport, delivery, transfer, sale, display and or use of marijuana, cannabis, cannabis items and/or marijuana items in such amounts or in such a manner that a license or permit is required pursuant to “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act,” P.L. 2021, c. 16, N.J.S.A. 24:6I-31, et seq., and/or the “Jake Honing Compassionate Use Medical Cannabis Act,” N.J.S.A. 24:6I-1 et seq., and the Code of the Township of Mount Olive, each as may be amended from time-to-time.

### **WHOLESALE TRADE**

Shall mean establishments or places of business primarily engaged in selling merchandise to other businesses, including retailers, industrial, commercial, institutional, or professional business users, other wholesalers, or acting as agents or brokers and buying merchandise for, or selling merchandise to, such individuals or companies.

**§ 394-3 Prohibited Cannabis Establishments, Cannabis Businesses, Medical Cannabis Establishments, and Cannabis Consumption Areas.**

**A. Prohibited Classes of Cannabis Establishments, Businesses and Cannabis Consumption Areas.** In accordance with section 31 of the Act (N.J.S.A. 24:6I-45), the following types and classes of Cannabis Businesses and Cannabis Establishments are prohibited within the jurisdictional and geographic boundaries of the Township of Mount Olive:

1. Class 1 Cannabis Cultivator Establishment(s);
2. Class 2 Cannabis Manufacturer Establishment(s);
3. Class 3 Cannabis Wholesale Establishment(s);
4. Class 4 Cannabis Distributor business(es),
5. Cannabis Consumption Areas; and/or
6. Any combination of the above.

Except as otherwise provided in §394-4, no licenses, permits or endorsements, including Local Annual License(s), shall be issued by the New Jersey Cannabis Regulatory Commission or the Township of Mount Olive for the above-listed types of cannabis establishments and cannabis businesses, and no property within the geographic boundaries of the Township shall be used therefore.

**B. Prohibited Medical Cannabis Facilities and Concurrent Operations.** Medical Cannabis Cultivator(s), Medical Cannabis Manufacturer(s), and Alternative Treatment Center(s), including any combination thereof, are hereby prohibited from operating within the jurisdictional and geographic boundaries of the Township of Mount Olive. Except as otherwise provided in §394-4, no licenses, permits or endorsements, including Local Annual License(s), shall be issued by the New Jersey Cannabis Regulatory Commission or the Township of Mount Olive for the above-listed types of Medical Cannabis Facilities and no property within the geographic boundaries of the Township shall be used therefore.

1. This prohibition shall apply equally to any Medical Cannabis Cultivator, Medical Cannabis Manufacturer, Alternative Treatment Center, and any other Medical Cannabis Facility deemed to have a concurrent license pursuant to N.J.S.A. 24:6I-7 of the Jake Honing Compassionate Use Medical Cannabis Act, and/or N.J.S.A. 24:6I-46



of CREAMMA, P.L. 2009, c. 307 (N.J.S.A.24:6I-1 et seq.) as amended by P.L.2013, c. 160, § 2; P.L.2019, c. 153, § 10; P.L.2021, c. 16, § 34; P.L.2021, c. 252, § 1; and/or pursuant to P.L.2023, c. 162, §§ 2-3.

**C. Prohibited Retail Sales Without State and Local Annual Cannabis License.** Pursuant to N.J.S.A. 24:6I-45, the retail sale of cannabis and cannabis items within the geographic and jurisdictional boundaries of the Township of Mount Olive is prohibited without having first secured both a valid and current annual Class 5 Cannabis Retail License issued by the New Jersey Cannabis Regulatory Commission and a valid and current Local Annual Class 5 Cannabis Retail License from the Township of Mount Olive. The licensee or holder of a Class 5 Cannabis Retail License shall at all times operate within the scope of authority set forth in the State and Local Annual License and in full compliance with the laws and regulations of the State of New Jersey, the Code of the Township of Mount Olive, and the terms and conditions of any license/permit so issued by the Cannabis Regulatory Commission and the Township of Mount Olive.

1. The prohibition on the retail sale of cannabis and cannabis items without a valid and current annual Class 5 Cannabis Retail License and Local Annual Class 5 Cannabis Retail License issued by New Jersey Cannabis Regulatory Commission and Township of Mount Olive, respectively, shall also include any Medical Cannabis Dispensary and/or Alternative Treatment Centers seeking to concurrently operate as a Class 5 Cannabis Retailer, and any other Medical Cannabis Facility deemed to have a concurrent Class 5 license pursuant to N.J.S.A. 24:6I-7 of the Jake Honing Compassionate Use Medical Cannabis Act, and/or N.J.S.A. 24:6I-46 of CREAMMA, P.L. 2009, c. 307 (N.J.S.A.24:6I-1 et seq.) as amended by P.L.2013, c. 160, § 2; P.L.2019, c. 153, § 10; P.L.2021, c. 16, § 34; P.L.2021, c. 252, § 1; and P.L.2023, c. 162, §§ 2-3.

**D. Prohibited Cannabis Delivery Service Operations.** Pursuant to section 31 of the Act, N.J.S.A. 24:6I-45, any Class 6 Cannabis Delivery Service(s) is/are prohibited from being operated from any real property located within the jurisdictional and geographic boundaries of the Township of Mount Olive and the physical premises of any cannabis delivery service, including any New Jersey licensed Class 6 Cannabis Delivery Service, is prohibited from being located within the geographic boundaries of the Township of Mount Olive. No State and/or local annual license(s) shall be issued by the New Jersey Cannabis Regulatory Commission or the Township of Mount Olive for use and operation of a Class 6 Cannabis Delivery Service business within the geographic boundaries of the Township of Mount Olive, and no property within the geographic boundaries of the Township shall be used for such purpose.

1. Nothing herein shall be construed to prohibit the holder of a valid current New Jersey Class 6 Cannabis Delivery Service license issued by the New Jersey Cannabis Regulatory Commission from legally transporting or delivering cannabis and cannabis items and related supplies to the private property owned or leased by the consumer of

21 years of age or older in accordance with State law and within the scope of authority set forth in the licensee's Class 6 License issued by the Commission.

**E. Prohibited Cannabis Consumption Areas.** In accordance with section 31, N.J.S.A. 24:6I-45, and section 32 of the Act, N.J.S.A. 24:6I-21, Cannabis Consumption Areas are hereby prohibited from operating within the jurisdictional and geographic boundaries of the Township of Mount Olive, including within any licensed Class 5 Cannabis Retailer Establishment. No State and/or local annual license(s) or endorsements shall be issued by the New Jersey Cannabis Regulatory Commission or the Township of Mount Olive for any Cannabis Consumption Area; and no property within the geographic boundaries of the Township shall be used therefore.

**F. Prohibition on Unlicensed Regulated Activities.** Unless preempted by the laws of the State of New Jersey, it shall be unlawful for any person or entity to engage in any conduct and/or activity rising to the level of a "Regulated Activity" for which a license is required, including but not limited to, the cultivation, manufacturing, packaging, repackaging, wholesale, distribution, storing, transporting, delivery, display, sale, and/or transfer of cannabis, cannabis items, marijuana, marijuana products and/or cannabis products without both a valid and current license/permit and Local Annual License issued by the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive, respectively. This provision shall be interpreted and construed to be read so as to not conflict with the provisions of N.J.S.A. 2C:35-10 thru -10d.

**G. Violations for Operating a Prohibited Cannabis Establishments/Businesses.** Any person or business entity found to engage in any activities prohibited by the Code of the Township of Mount Olive, including in the cultivation, manufacturing, packaging, repackaging, wholesale, distribution, unlicensed storage, transporting, delivery, display, unlicensed sale and/or transfer of cannabis, cannabis items, marijuana, marijuana products and/or cannabis products shall be subject to a civil fine and penalty as set forth in this Chapter.

#### **§ 394-4 Permitted Cannabis Establishments/Business; Numerical Limit; and Permitted Locations.**

**A. Permitted Classes.** Subject to all applicable state and local laws and regulations, the retail sale of cannabis and cannabis items to persons of 21 years of age or older by the holder of both a valid and current Class 5 Cannabis Retail License and Local Annual Cannabis Retail License issued by the New Jersey Cannabis Regulatory Commission and the Township of Mount Olive, respectively, shall be permitted from a licensed premises located entirely within either the Township's C-1 or C-2 Commercial District(s).

1. Class 5 Cannabis Retailer Establishments shall include Class 5 Cannabis Retail Microbusinesses, Licensed/permitted Medical Cannabis Dispensaries operating or seeking to operate as a concurrent Class 5 Cannabis Retailer Establishment; and/or Alternative Treatment Center operating or seeking to solely operate concurrently as a

Medical Cannabis Dispensary and Class 5 Cannabis Retailer Establishment within the Township of Mount Olive.

2. Nothing herein shall be read or construed to permit an Alternative Treatment Center to operate as Class 1, 2, 3, 4, or 6 Cannabis Establishment or Business or as a Medical Cannabis Cultivator, Medical Cannabis Manufacturer within the Township of Mount Olive.

- B. Numerical Limit.** No more than one (1) Local Annual Class 5 Cannabis Retailer License is authorized to be issued by the Township on an annual basis at any given time.
- C. Permitted Locations.** No Local Annual License shall be issued which allows for the operation of a Class 5 Cannabis Retailer Establishment at any location other than within the indoor confines of a building on real property located entirely within the C-1 Commercial District Zone or C-2 Commercial District Zone.
- D. School Zone Prohibited.** The entrance(s) to a Class 5 Cannabis Retailer facility shall not be located within 1,000 feet of any school.

#### **§ 394-5 Authority to Issue Local Annual License.**

- A. Township Council Authority.** Beginning sixty (60) days after the date of final adoption and passage of this ordinance, the Township Council is authorized to issue no more than one (1) Local Annual Class 5 Cannabis Retail License annually to a qualifying applicant having both a Conditional License issued by the Cannabis Regulatory Commission and having received the highest total score following completion of request for proposal application process and departmental review set forth in Article II of Chapter.
- B. No other or Additional Licenses Permitted.** Except as provided above, no other or additional licenses or license class types shall be issued or otherwise made available by the Township Council except by formal adoption and passage of an ordinance amending the provisions of the Code of the Township of Mount Olive.
- C. Qualifying Applicant.** Before a Local Annual License may be applied for or issued, any person or business entity seeking to engage in any Class 5 Cannabis Retailer Establishment activities within the Township of Mount Olive shall first apply for and secure a Class 5 Cannabis Retailer Conditional License from the State of New Jersey Cannabis Regulatory Commission in accordance with State law the regulations of the CRC, and submit a complete written application to the Township of Mount Olive, including all filing fees, in accordance with the requirements of Article II of this Chapter.
- D. Term of License.** The initial term of the Local Annual License shall be from the date of issuance until December 31, 2024. Thereafter, the term of any Local Annual License shall be for one calendar year ending on December 31.

- E. Scope of Authority.** All Local Annual Licenses shall be limited to the retail sale of adult use cannabis and cannabis items by the named holder of the license at the specific premises described in the License in which cannabis and cannabis items are retailed.
- F. Non-transferable.** Any Local Annual License(s) so issued by the Township Council shall not be transferrable by the Licensee to another person or business organization and/or transferrable to another location.
- G. Conditions of Licenses.** All Local Annual Licenses shall be subject to and conditional upon compliance with all laws and regulations of the State of New Jersey, the provisions of the Code of the Township of Mount Olive, and any and all conditions of approval and/or conditions of compliance established by the Commission and/or the Township Council. All Local Annual Licenses so issued shall be subject to revocation by the Township Council upon for the failure of the Licensee to comply with any state and/or local laws, regulations and/or conditions of compliance.

## ARTICLE II

### LOCAL ANNUAL LICENSE PROCESS, LICENSE REQUIREMENTS AND LIMITS

#### **§394-6 Municipal Licensure Requirements, Conditions and Limits.**

- A. Local Annual Cannabis License Required.** No Local Annual License shall be issued except in accordance with this Chapter and no person or entity shall engage in the retail sale of cannabis and/or cannabis items within the jurisdictional and geographical boundaries of the Township of Mount Olive without first applying for and obtaining both a valid a Class 5 Cannabis Retailer License from the State of New Jersey Cannabis Regulatory Commission and a Local Annual Class 5 Cannabis Retailer License from the Township Council of the Township of Mount Olive.
- B. State License Required.** Prior to making any application to the Township for a Local Annual License, any such person(s) and/or business entities seeking to operate as a Class 5 Cannabis Retailer shall first apply for and secure either Class 5 Annual Cannabis Retailer License or Class 5 Conditional Cannabis Retailer License from the State of New Jersey Cannabis Regulatory Commission. The Township shall automatically reject any proposal/application for a Local Annual License in which the applicant does not provide proof of having already secured either a Class 5 Annual Cannabis Retailer License or Class 5 Conditional Cannabis Retailer License from the State of New Jersey Cannabis Regulatory Commission.
- C. Written Application Required.** Before a Local Annual License is issued, the person or business seeking a Local Annual License from the Township must first submit a timely and complete written application to the Township of Mount Olive, including all filing fees, in accordance with the requirements of the Code of the Township of Mount Olive. The application will then be reviewed in accordance with the process set forth in this Article

and the highest scoring applicant having scored a total average of 80 or more points shall be awarded a Local Annual License upon payment of the annual licensing fee. The Local Annual License shall be deemed conditioned upon the successful applicant first securing a Class 5 Annual Cannabis Retailer License issued by the State of New Jersey Cannabis Regulatory Commission for the specific location approved by the Township.

**D. General Limitations and Conditions on Local Annual License.** Any Local Annual License(s) so issued by the Township Council shall be subject to and conditional upon compliance with all laws and regulations of the State of New Jersey, the provisions of the Code of the Township of Mount Olive, any and all conditions of approval and/or conditions of compliance established by the Commission and/or the Township Council, and the following general licensing conditions and limitations:

**1. Permitted Locations.** Class 5 Cannabis Retailer Establishments shall be limited to indoor premises on real property located entirely within the C-1 Commercial District Zone or C-2 Commercial District Zone.

**2. School Zone Prohibited.** The entrance(s) to a Class 5 Cannabis Retailer facility shall not be located within 1,000 feet of any school.

**3. Term of License.** The initial term of any Local Annual License shall be from the date of issuance until December 31, 2024. Thereafter, the annual term of any Local Annual License shall be for one calendar year, commencing on January 1 ending on December 31 of the calendar year. Unless the Township issues a license renewal, it shall be unlawful for any person to sell, distribute, transfer, transport, or otherwise remove cannabis or cannabis products/items from the premises of any Cannabis Establishment after the expiration date recorded on the face of the license.

**4. Scope of Authority.** All Local Annual Licenses shall be limited to the retail sale of adult use cannabis and cannabis items by the named holder of the license at the specific premises described in the License in which cannabis and cannabis items are retailed. Cannabis Consumption Areas shall not be permitted within any Class 5 Cannabis Retailer Establishment.

**5. Non-transferable.** Any Local Annual License(s) so issued by the Township Council shall not be transferrable by the Licensee to another person or business organization. All local annual cannabis licenses shall be specific to the property location authorized and approved by the Township and shall not otherwise be considered a "pocket license." The holder of a Local Annual License shall not be permitted to transfer the location of the cannabis establishment to another location within the Township without first applying for and obtaining a new Local Annual License from the Township.

**6. Indoors Activities Only.** With the exception of loading activities, the storage and retail sale of cannabis, cannabis items, and related supplies shall at all times take place

indoors within an enclosed and appropriately secured building, which shall be the licensed premises or licensed facility of the Class 5 Cannabis Retailer.

**7. Cannabis Retailer Facility Requirements.** A Cannabis Retailer shall not be located within a building that contains a residence, day-care, school, or within a mixed-use development that includes any residential uses.

**8. Sale Requirements.** All sales shall be direct face-to-face or through a New Jersey Licensed Class 6 Delivery Service. It shall be unlawful to sell, offer for sale, or distribute any adult use cannabinoid, cannabis, cannabis item or cannabis product to an individual under the age of 21 years. The sale of cannabinoid items, cannabis, cannabis item and/or cannabis product through self-service displays, and vending machines is prohibited.

**9. Hours of Operation.** The hours of operation for all Cannabis Establishments within the Township shall be limited to 9:00 a.m. to 10:00 p.m. prevailing time Monday thru Saturday, and 9 a.m. to 6 p.m. Sundays.

**10. No Food, Beverages or Tobacco.** A Cannabis Retailer shall not be permitted to sell food, beverages, alcohol or tobacco on the premises of the business.

**11. No Drive-Thru Activities.** A Cannabis Retailer shall not operate a drive-thru which allows persons to purchase or obtain cannabis, cannabis items and/or related supplies without entering into the indoor secured areas of the Cannabis Retailer's facility.

**12. Signage.** A Cannabis Retailer shall comply with all respective signage regulations for the C-1 Commercial District Zone or C-2 Commercial District Zone, as applicable, and the regulations and rules as to signage and advertisements adopted by the Cannabis Regulatory Commission, as well as the following additional requirements specific to Cannabis Establishments:

- (a) A Cannabis Retailer shall not display cannabis, cannabis items, and cannabis paraphernalia in a manner that is visible to a person from the exterior of the principal structure, including the exterior parking areas, public sidewalks, streets, right-of-way or any other public view.
- (b) Signage shall not include a cannabis plant leaf or other outward glorification of cannabis consumption, including but not limited to shape of, or a shape bearing the likeness or containing characteristics of, a realistic or fictional human, animal, or fruit, or part thereof, including artistic, caricature, or cartoon renderings.

- (c) Signage shall be conspicuously posted inside and outside the building explicitly advising that consumption of cannabis is prohibited anywhere on the premises, including the parking area and inside vehicles in the parking area.

**13. Site Plan Approval May be Required.** Site Plan approval may be required depending on the proposed location of the Cannabis Establishment and the Zoning Officer's review and determination of same. If site plan approval is required, additional fees and escrows may apply.

**14. Ventilation.** The Cannabis Retailer facility shall be equipped with a ventilation system sufficient in type and capacity to eliminate cannabis odors from emanating from the interior to the exterior of the premises as discernible by the ordinary senses to otherwise constitute a nuisance in violation of this Chapter or Chapter 433 of the Township Code.

**15. Parking Requirements.**

- (a) A Cannabis Retailer shall comply with the off-street parking requirements for retail uses, in accordance with of the Township Code.
- (b) A Cannabis Retailer shall designate all off-street parking spaces for either customer or employee use.
- (c) A Cannabis Retailer shall be responsible to regularly walk the surrounding parking areas and exteriors of portions of the premises throughout business hours and at the time of closing to assure that persons are not loitering; and to remove and lawfully dispose of any garbage, debris, and/or any lost or misplaced cannabis items and/or cannabis from surrounding exterior areas of the licensed premises.

**16. Prohibited Consumption.** The consumption of cannabis and/or cannabis items through smoking, vaping, aerosolizing or other means (e.g. edibles) is prohibited within or on the grounds of any licensed Cannabis Establishment within the Township of Mount Olive.

**17. Operational Requirements for Cannabis Establishments.** All Local Annual License shall be conditioned upon the Licensee's continued adherence to all provisions of this Chapter, including but not limited to the Operational, Signage, Security, and tax remittance requirements of this Chapter.

**18. Conversion of Conditional License.** All Local Annual Licenses shall be subject to and conditional upon the applicant securing an Annual Class 5 Retailer

Establishment License from the State of New Jersey Cannabis Regulatory Commission.

**19. Payment of All Licensee Fees and Applicable Taxes.** All local Annual Licenses shall be subject to the licensee making timely payment of all State and local licensing and registration fees and the payment of all applicable State and local taxes.

**20. Unannounced Inspections.** The licensed premises of all licensees shall be subject to unannounced inspections by a designated representative of the Township. Access shall be permitted by the Cannabis Establishment on demand by the Township's authorized representative.

**21. Noncompliance.** Failure of any licensee to comply with any laws and regulations of the State of New Jersey, the provisions of the Code of the Township of Mount Olive, and/or any and all conditions of approval and/or conditions of compliance established by the Commission or the Township Council shall be grounds for suspension, revocation and/or nonrenewal of the local annual cannabis license by the Township Council and all such fines, penalties, injunctive relief and other remedies as set forth in this Chapter or as otherwise permitted by law.

#### **E. Expiration and Renewal of Local Annual License**

1. Any Local Annual License issued pursuant to this Chapter shall automatically expire on December 31 annually if a renewal application is not filed by the holder of the license in a timely manner in accordance with the provisions of this chapter.

2. The Township Council may, at its discretion, adjust the renewal date of the municipal license to correlate with an applicant's state licensing and renewal schedule.

3. The holder of a Local Annual License shall file a complete renewal application on forms provided by the Township by no later than forty-five (45) days prior to expiration of the Local Annual License.

4. Renewal of any Local Annual License shall be governed by code amendments, additional restrictions or changes in State and local laws and/or regulations adopted since the previous license was issued or renewed.

5. Transfer of ownership of any Local Annual License or change of location of any license or modification to expand a licensed premises shall be require and be subject to entirely new municipal application and license approval process pursuant to the same qualification requirements as in the originally approved application. A change of location shall not be approved unless the location has been specifically permitted by the Township's Code.

6. Except where the Township has received a complete renewal application along with



the requisite fees, and has issued a Local Annual License renewal, it shall be unlawful for any person or business to sell, distribute, transfer, transport or otherwise remove cannabis or cannabis products from the premises of any licensee after the expiration date recorded on the face of the license.

7. Should a Local Annual License not be renewed allowed to lapse, or be revoked, the Township, in its discretion may re-open, advertise and issue a request for proposals in accordance with the provisions of this Chapter.

**F. Revocation, Suspension or Nonrenewal.** Any suspension, revocation or nonrenewal of the municipal permit or license pursuant to CREAMMA and/or the regulations promulgated thereto, as may be amended from time-to-time, or any suspension, revocation or nonrenewal of a CRC-issued license or permit for the establishment, or adjudication of felony criminal guilt by the establishment or its principals shall constitute an automatic revocation of the municipal license for the establishment, at which time operation of the establishment must cease. With respect to a suspension, revocation or nonrenewal of a Township or CRC-issued permit or license, the establishment may not reinstate its municipal license until the Township and/or CRC permit or licenses are reinstated. A criminal adjudication voids and prohibits any future reinstatement of Township permits/licenses.

**G. Unlicensed Regulated Activities.**

1. Any unlicensed person, organization and/or business found to have engaged in any conduct and/or activity for which a license, permit and/or endorsement is required pursuant to the “New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act,” N.J.S.A. 24:6I-31, et seq., the “Jake Honing Compassionate Use Medical Cannabis Act,” N.J.S.A. 24:6I-1 et seq., and/or the Code of the Township of Mount Olive shall be subject the injunctive relief for the abatement of any violation, a civil fine and penalty as set forth hereinafter below, and any and all other available remedies as provided by law.

2. The holder of any State and/or Local Annual License person, including any licensed cannabis establishment, cannabis distributor and/or cannabis delivery service, found to have engaged in any activity and/or conduct outside the scope of authority set forth in any license, permit and/or endorsement and/or in violation of any condition(s) of any license, permit or endorsement shall be subject to a civil fine and penalty as set forth hereinafter below; and any such Local Annual License so issued shall be subject to revocation by the Township of Mount Olive, shall be subject the injunctive relief for the abatement of any violation, a civil fine and penalty as set forth hereinafter below, and any and all other available remedies as provided by law.

3. Any person, organization and/or business found to operate a Cannabis Delivery Service from any premises within the geographic boundaries of the Township shall be

subject shall be subject the injunctive relief for the abatement of any violation, a civil fine and penalty as set forth hereinafter below, and any and all other available remedies as provided by law.

**§ 394-7 Application for Local Annual License and Application Fees.**

- A. Written Applications Required.** No Local Annual License shall be issued except in accordance with this Chapter. All persons and business entities seeking to be considered for the initial Local Annual License or seeking to renew a Local Annual License must first file a complete written application, in accordance with the request for proposals (RFP), or renewal application, as applicable, with the Township of Mount Olive Municipal Clerk, along with the applicable application fee for same in accordance with the provisions set forth hereinafter.
- B. Initial Applications.** Within 30 days of the passage of this Chapter, the Township will advertise and issue a request for proposals (RFP) for applicants seeking licensing pre-approval for the purpose of ultimately submitting a conversion application to the State of New Jersey. The applicant shall then submit its application for consideration by the deadline set forth in the request for proposals. All untimely applications shall be rejected. All applications shall be reviewed based on the criteria set forth in §394-7K. The scoring shall be on a scale of zero to 100 as set forth in the criteria established by the Township. The highest scoring applicant shall be pre-approved for licensure and may apply to the State of New Jersey for a license. Any applicant that receives scoring less than 80 points out of 100 shall not be approved. After the above RFP process is complete should a license become inactive or available, any applicant may apply for pre-approval from the Township as provided for herein. However, such application shall be considered based upon the date of submission. The fee for review of the above application shall be \$5,000. Licensing shall be issued by the Township pursuant to the provisions of this Chapter.
1. Once a Local Annual License is issued, no further applications will be accepted and application period will be closed.
- C. Renewal Applications.** The holder of a Local Annual License shall be required to file an application for the renewal of any Local Annual License by no later than November 15 of the year immediately preceding the year in which the Local Annual License is to sought to be renewed.
- D. Revocation, Lapse, or Non-renewal of License.** Should a Local Annual License not be renewed, allowed to lapse, or be revoked, the Township, in its discretion may re-open, advertise and issue a request for proposals in accordance with the provisions of this Chapter.
- E. Non-refundable Application Fee.** The applicant for an initial Local Annual License shall submit a non-refundable application fee of five thousand dollars (\$5,000.00) to the Office of the Municipal Clerk of the Township of Mount Olive. The application fee shall be

submitted at the same time the application is filed in accordance with the request for proposals.

**F. Non-refundable Renewal Application Fee.** The applicant seeking to Renew a Local Annual License shall submit a non-refundable renewal application fee of two thousand five-hundred dollars (\$2,500.00) to the Office of the Municipal Clerk of the Township of Mount Olive. The renewal application fee shall be submitted at the same time the application is filed.

**G. Additional Escrow.** In addition to the application fee and/or renewal application fee set forth above, in the event the applicant's initial application or renewal application requires review by any Township professional consultants, including the Township Engineer, Environmental Consultant and/or Traffic Engineer, or special cannabis counsel, the applicant may be required to post additional escrow as needed to cover the costs of any professional review fees. In such instance, the escrow fee will be \$2,000 and shall be billed against the escrow account established and any professional escrow fees that are not exhausted shall be returned to the applicant, all in accordance with N.J.S.A. 40:55D-8. The escrow fee shall be submitted at the same time the application is filed in accordance with the request for proposals.

**H. Form and Contents of Application.** The initial application and any renewal application shall be on a Township specific form furnished by the Township of Mount Olive, and shall be signed and certified by the individual person making the application under oath with penalty of perjury thereon. In addition to completing the application form, the applicant will be required to supply additional documentation as an attachment to the application. The applicant may also include additional information in support of the application. The applicant shall clearly label and number each document attached to the application, and include a specific description of the document. To be deemed complete, all applications include or be accompanied by the following information:

1. The name and home address of the applicant. If the Applicant is not a natural person, the applicant shall submit a statement setting forth the names and home addresses of all owners and stockholders in the corporation or partnership who own 10% or more of the business and/or stock, of any class or of all individual partners in the partnership who own a 10% or greater interest therein, as the case may be. If one or more stockholder(s) or partner(s) or owner(s) is itself a corporation or partnership, the stockholders holding 10% or more of that corporation's stock, or the individual owners or partners owning 10% or greater interest in that partnership, as the case may be, shall also be listed with their home address. The disclosure shall be continued until names and home addresses of every non-corporate stockholder, and individual partner, exceeding the 10% ownership criteria has been listed.

2. The name of any other business entities in which any of the individuals identified pursuant to subsection (b)(1) of this provision have or have had an ownership interest which: (i) cultivates, manufactures, wholesales or dispenses cannabis or cannabis

products; (ii) invests or finances in any such entity; or (iii) is regulated by any governmental entity.

3. A certified true copy of the license issued by the Cannabis Regulatory Commission authorizing the Applicant to operate as a Licensed Cannabis Establishment.

4. A certified copy of the application and all application materials and supporting documents submitted to the Cannabis Regulatory Commission for consideration in issuance the license.

5. An affidavit and documentary proof of compliance with all state and local laws regarding affirmative action, anti-discrimination 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.

6. The qualifications and experience of the applicant's owners and principals, in the cannabis business sector and in highly regulated industries.

7. A lease agreement or agreement of sale for the property where the applicant intends to operate the Licensed Cannabis Entity. The lease agreement or agreement of sale may be contingent upon the Applicant's ability to successfully: (i) obtain a Local License; and (ii) if applicable, obtain approval from the Mount Olive Planning Board or a Zoning Permit pursuant to § 550-23.

8. Plans prepared by a duly licensed architect, engineer, or planner which shall depict the layout and design for the proposed premises of the Cannabis Establishment to be located within the Township, and which shall depict:

- (a) The location of the proposed premises for the Cannabis Establishment, and its relationship to any other structures existing land uses on the site;
- (b) Its proximity to parks, recreational sites, schools, daycares and houses of worship;
- (c) Parking, egress and ingress; and
- (d) The proposed security measures for the location.

All such plans shall be deemed confidential consistent with state law.

9. Security Plan.

10. Workforce Development Plan.

11. Community Impact Plan.

12. Acknowledgment and agreement authorizing the Mount Olive Police Department to perform background checks and/or investigations regarding any individuals disclosed pursuant to subsection H(1) of this provision and any employees of the Applicant.

13. Proposed Signage for the exterior portion of the prospective Cannabis Establishment.

14. Proposed Hours of Operation.

15. If the Applicant is applying for a Local License as a Targeted Microbusiness, a copy of any and all documents issued by the Cannabis Regulatory Commission declaring the Applicant as microbusiness under the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act with a copy of all application materials and documents submitted to the Commission for such a declaration.

**I. Preliminary Review of Application.** Upon expiration of the deadline to submit applications, the Municipal Clerk, in conjunction with the Municipal Attorney, shall unseal all applications received and conduct a preliminary review of each application to determine if the completeness and whether any application must be rejected. The Municipal Clerk will then advise each applicant in writing of the preliminary “completeness review” determination.

1. An application may be rejected for failure to supply proof of a conditional license being issued by the State of New Jersey Cannabis Regulatory Commission; having been received after the deadline set forth in the request for proposals; because it is deemed incomplete due to a material defect in failing to supply the information set forth in §394-7H above or any additional items set forth in the request for proposals, or the failure of the applicant to submit the required application fee.

**J. Transmittal of Application to Municipal Departments and Professionals for Review and Scoring.** Upon the deeming an application is complete, the Office of the Municipal Clerk shall then transmit the application to the Police Chief or the Chief’s designee, Health Officer or the Health Officer’s designee, Zoning Officer, the Mayor, and the Township Business Administrator for review of the application. These departments shall review each application, issue a score and then forward their score, comments and recommendations to the Municipal Clerk’s Office within thirty (30) business days from transmission of the application. This period may be extended for an additional thirty (30) business days.

**K. Departmental Review.** The Police Chief or the Police Chief’s designee, Health Officer or the Health Officer’s designee, Zoning Officer, the Mayor, and the Township Business Administrator shall evaluate any and all applications and shall each issue a score along

with any recommendations with regard to the application after consideration and evaluation of the following criteria:

**1. Qualifications and Experience.** Applicant's owners' or principals' qualifications and experience operating in highly regulated industries, including cannabis, healthcare, pharmaceutical manufacturing, and retail pharmacies, with preference to experience operating such businesses within the State of New Jersey and where the value of owners' experience shall outweigh the experience of non-owner principal, submission of formal business plan for the proposed Licensed Cannabis Entity including a pro forma is required.

**2. Security Plan.** Applicant's qualifications and experience related to public safety and security, including any of the applicant's owners' or principals' experience in law enforcement and drug enforcement, and a summary of the applicant's plans for storage of products and currency, physical security, video surveillance and digital storage, security personnel and their qualifications, and visitor and employee security management.

**3. Workforce Development Plan.** 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 the proposed Licensed Cannabis Entity; education, training and resources to be made available for employees; any relevant certifications, and an optional diversity plan.

**4. Community Impact Plan.** Applicant's community impact plan summarizing how the applicant intends to have a positive impact on the community in which the proposed Licensed Cannabis Entity is to be located; which shall include an economic impact plan and a description of outreach activities and potential contributions to the community, including support and partnerships with LEAD (Law Enforcement Against Drugs) and MOMAC (Mount Olive Municipal Alliance Committee). As well as philanthropic efforts in furtherance of educating the community on the safe and legal use thereof.

**5. New Jersey Minority-Owned.** Applicant's demonstrated commitment to diversity in its ownership composition and hiring practices and whether the applicant entity or its parent company holds any certifications as a NJ minority-owned, women-owned, or veteran-owned business.

**L. Review of Scores by Municipal Clerk.** Each of the scores issued above shall be submitted to the Township Municipal Clerk for tabulation, in conjunction with the Municipal Attorney, and all recommendations shall be compiled into a report to the Township Council, and the Municipal Attorney shall advise the Township Council of the successful applicant and recommendations under the Departmental Review process, and issue a notification of award.

**M. Conditional Municipal License.** Notwithstanding the foregoing competitive application

process, a notification of award and conditional municipal license, approved by the Township Council, shall allow the recipient applicant to pursue a State permit or license in the appropriate classification for up to 12 months, which may be extended in the Township Council's discretion for an additional 6 months for good cause. No license to operate shall be issued until the applicant has received a State License and satisfied all other prerequisites of municipal licensure. If the recipient of a notice of award and conditional license has not received a State permit or license within 12 months from issuance, unless extended for good cause, the Township shall issue a new request for applications and evaluate all applicants for licensure under the above criteria.

**§ 394-8 Annual Licensing Fee.** Upon approval of the issuance of a Local Annual License, the successful applicant shall submit a license fee to the Municipal Clerk of the Township of Mount Olive in accordance with the following fee schedule:

- A. Class 5 Cannabis Retailer license:** Five thousand dollars (\$5,000.00). The annual fee for microbusinesses shall be half of the class annual fee.

**§ 394-9 Operational Requirements for Cannabis Establishments.**

- A.** All Cannabis Establishments shall at all times comply with all applicable State and local laws and regulations; the provisions of the Code of the Township of Mount Olive, including but not limited the requirements of this Chapter; the requirements for licensure pursuant to CREAMMA; the terms and conditions of compliance and approval set forth in any license, permit and/or endorsements issued by the Cannabis Regulatory Commission; the terms and conditions of compliance and approval set forth in the Local Annual License issued by the Township; and the following operational requirements:
  - 1.** All Cannabis Establishments shall at all times hold a valid current License or permit issued by the State of New Jersey, along with a Local Annual License issued by Township authorizing the Cannabis Establishment to conduct or undertake the activities at the specific property identified in the License.
  - 2.** Both the Township's Local Annual License and State-issued License are valid only for the location identified on the licenses and until the expiration date printed on the license.
  - 3.** All licenses and permits issued by the Township and the Commission and any other Federal or State subdivision shall be prominently displayed inside the permitted Cannabis Establishment in a location where it can be easily viewed by State and local law enforcement and administrative authorities.
  - 4.** Except for receipt of shipments from licensed Cannabis Establishments and Cannabis Distributors and transfers conducted by a New Jersey Licensed Class 6 Delivery Service, all operations shall be conducted solely within the indoor confines of a fully enclosed licensed facility/premises on the property identified in the License. With the exception of loading activities incidental to the operation of the cannabis

establishment, all operations shall be conducted occur indoors, within the enclosed licensed building, except as otherwise authorized for licensed Class 6 Delivery Services only.

**5. Prohibition on Mobile Structures.** No Cannabis Establishment shall conduct any business or operate from a movable, mobile structure, transitory location or motor vehicle, except for the permitted transportation of cannabis, cannabis items and cannabis products to and from the facility pursuant to State law by a licensed Class 6 Delivery Service. Nothing herein shall be deemed to apply to or otherwise conflict with the statutory and regulatory provisions applicable to Cannabis Delivery Services holding a valid and current license issued by the New Jersey Cannabis Regulatory Commission.

**6.** All Cannabis Establishments shall at all times comply with the Township Code, including without limitation the Land Use Ordinances, the Building Code, Health Code, the Property Maintenance Code, and this Chapter.

**7.** All Cannabis Establishments shall at all times adhere to the safety and security standards and plan established and approved by the Commission and as supplemented by the Township, including the requirements for the maintenance of a security system that meets State law and all additional security requirements set forth in this Chapter.

**8.** All Cannabis Establishments shall be required to install ceiling reinforcement (Steel/metal mesh, fencing, barriers) that prohibits entry through rooftops and ceilings

**9.** All Cannabis Establishments shall have security systems in place, along with a continuous video recording system that records 24 hours a day 7 days per week with a minimum 30-day archive. This system shall be shared with the Mount Olive Township Police Department via web browser providing direct access to real-time and archived video.

**10.** All Cannabis Establishments shall provide the Mount Olive Township Police Department with the name and telephone number of one staff person to notify during operating hours, and the name and cellphone number of at least two staff persons to notify after operating hours regarding suspicious activity.

**11.** Cannabis establishments shall have at least one contracted uniformed security guard from an N.J. SORA-licensed firm on the premises during all hours of operation to provide presence and compliance enforcement on the premises, including the interior structure and the exterior parking area.

**12.** Outside areas of the premises shall be well-illuminated for safety and security, but not in a way that is counter to Township Code requirements for outdoor lighting and



screening, or in a way that is obstructive to pedestrians, drivers or other users of any public right-of-way.

13. All cannabis and cannabis items in whatever form stored at the licensed premises shall be kept in a secure manner and shall not be visible from outside the permitted premises, nor shall it be processed, exchanged, displayed or dispensed outside the confines of the licensed structure of the premises. No cannabis products shall be visible from a public sidewalk, public street or right-of-way, or any other public place.

14. Cannabis establishments shall properly dispose of all materials and other substances in a safe and sanitary manner in accordance with local and State laws, including the rules and regulations of the Commission.

15. Cannabis establishments shall be equipped with ventilation systems sufficient in type and capacity to eliminate cannabis odors emanating from the interior to the exterior of the premises discernible by the ordinary senses and otherwise prevent violations of §394-10 or Chapter 433 of the Code of the Township of Mount Olive. The ventilation system shall be inspected and approved by the Township Construction Official and/or Health Officer.

16. The hours of operation for all Cannabis Establishments within the Township shall be limited to 9:00 a.m. to 10:00 p.m. prevailing time Monday thru Saturday, and 9 a.m. to 6 p.m. Sundays.

17. Cannabis establishments shall post conspicuous signage inside and outside the building that consumption of cannabis is prohibited anywhere on the premises, including the parking area and inside vehicles in the parking area.

18. The premises and right-of-way adjacent to the Cannabis Establishment shall be monitored by staff of the Cannabis Establishment and kept free of loitering, litter and other debris and the sidewalks shall be swept and cleaned on a regular basis.

**§394-10 Odor Mitigation and Control.** All cannabis establishments operating within the Township shall comply with the following requirements with respect to the emission and/or escape of odors, volatile organic compounds, solid particles, liquid particles, smoke, vapors and/or gases into the outdoor atmosphere.

- A. The emission into the outdoor atmosphere of any volatile organic compounds, solid particles, liquid particles, vapors and/or gases in excess of the rates, limits/levels established by the New Jersey Department of Environmental Protection are hereby prohibited.
- B. Cannabis establishments are prohibited from causing, permitting, or allowing to be emitted into the outdoor atmosphere any odors detectable by the ordinary human senses, substances and/or other air contaminants, in such quantities and for such duration as are, or tend to be,

injurious to human health or welfare, animal or plant life or property, or would unreasonably interfere with the enjoyment of life or property on any public or private property within the Township.

- C. The facility location of all retail cannabis establishments shall have a fully integrated self-contained air treatment, HVAC, ventilation and exhaust system which shall be regularly maintained and fully operational and running at all times.
- D. All cannabis establishments shall be required to monitor all activities for the presence and prevention of odors and the maintenance and trouble-shooting of all odor control equipment on a daily basis. All retail cannabis establishments shall maintain written records of all odor monitoring, equipment maintenance/repairs, odor investigations, air quality studies and any adverse events, and odor complaints.
- E. All records as to odor control monitoring, investigations, odor control equipment maintenance/repairs, air quality studies and adverse events shall be produced to the Township upon request.
- F. Outside generators and other mechanical equipment used for any kind of power supply, cooling or ventilation shall be enclosed and have appropriate baffles, mufflers, and/or other noise reduction systems to mitigate noise pollution, in accordance with the Township Code and applicable State laws and regulations.

#### **§394-11 Security.**

All Cannabis Establishments shall be secured and have security protocols in place. Security protocols shall be submitted to the Chief of Police for compliance review with all safety and security standards established by the State of New Jersey for cannabis establishments. The Township of Mount Olive Police Department may, at its discretion and upon review of the proposed location, recommend or require additional safety and security measures. At a minimum, the following shall be required:

- A. All Cannabis Establishments shall at all times adhere to the safety and security standards and plan established and approved by the Commission and as supplemented by the Township, including the requirements for the maintenance of a security system that meets State law requirements and the provisions of this Chapter.
- B. All Cannabis Establishments shall have security systems in place, covering all areas of the Cannabis Establishment, and adjacent exteriors of the building.
- C. All Cannabis Establishments shall have video recording system covering all areas of the Cannabis Establishment, and the adjacent exteriors and parking areas of the building in which the Cannabis Establishment operates from. The video recording system shall be a continuous video recording system that records 24 hours a day 7 days per week with a minimum 30-day archive. This system shall be shared with the Mount Olive Township

Police Department via web browser providing direct access to real-time and archived video. The cost associated with sharing the system shall be borne on the Cannabis Establishment.

- D. All Cannabis Establishments shall provide the Mount Olive Township Police Department with the name and telephone number of one staff person to notify during operating hours, and the name and cellphone number of at least two staff persons to notify after operating hours regarding suspicious activity. The Cannabis Establishment shall be responsible to assure that the contact information is regularly updated and remains current.
- E. All Cannabis Establishments shall have at least one contracted uniformed security guard from a N.J. SORA-licensed firm on the premises during all hours of operation to provide presence and compliance enforcement on the premises, including the interior structure and the exterior parking area.
- F. The interior and exterior portions of the licensed premises and the adjacent parking areas and rights-of-way(s) and sidewalks shall be monitored by staff of the Cannabis Establishment and shall be kept free of loitering, litter and other debris. The sidewalks and exterior parking areas shall be swept and cleaned on a regular basis throughout the business hours and at the time of closing.
- G. Discourage loitering around the immediate outside areas of the Cannabis Establishment, by requiring a staff member or security guard to regularly walk the immediate parking lot and immediate areas around the Cannabis Establishment and instruct patrons to leave the premises if they are present longer than necessary to complete business with the Cannabis Establishment, and install appropriate signage conspicuously posted to notify visitors of this requirement.

**§394-12 Product Display and Signage for Class 5 Retail.**

- A. Cannabis Retailer shall comply with all respective signage regulations for the C-1 Commercial District Zone or C-2 Commercial District Zone, as applicable, and the regulations and rules as to signage and advertisements adopted by the Cannabis Regulatory Commission, as well as the following additional requirements specific to Cannabis Establishments:
  - 1. A Cannabis Retailer shall not display cannabis, cannabis items, and cannabis paraphernalia in a manner that is visible to a person from the exterior of the principal structure. Cannabis, cannabis items and cannabis paraphernalia shall not be visible from a public sidewalk, street, right-of-way or any other public view.
  - 2. Signage shall not include a cannabis plant leaf or other outward glorification of cannabis consumption, including but not limited to shape of, or a shape bearing the likeness or containing characteristics of, a realistic or fictional human, animal, or fruit, or part thereof, including artistic, caricature, or cartoon renderings.

3. Signage shall be conspicuously posted inside the building about the age requirements and the prohibition of using cannabis in public places, streets, sidewalks and parks.

4. Signage shall be posted inside and outside the building explicitly advising that consumption of cannabis is prohibited anywhere on the premises, including the parking area and inside vehicles in the parking area.

### **§394-13 Corporate Designee Contact.**

All cannabis establishments operating within the Township shall be required to designate a corporate representative of the establishment business who shall be available 24 hours daily to serve as the primary person of contact for the business, and shall have full authority to make decisions on behalf of the business in the event of an emergency. The business shall provide the up-to-date direct telephone and email contact information for the corporate designee to the Township Police Department and the Township Administrator and shall assure that such contact information remains current at all times. At a minimum, the corporate designee shall be responsible to respond to the Township in the event of a report of criminal activity, adverse odor event, or any suspected violation of applicable State and/or local laws.

## **ARTICLE III**

### **REGULATIONS ON THE TRANSFER, DELIVERY AND CONSUMPTION OF CANNABIS AND CANNABIS ITEMS**

#### **§ 394-14 Manner of Delivery of Cannabis and Cannabis Items.**

A. The actual sale, transfer, and/or delivery of cannabis and cannabis items by any Class 5 Cannabis Retailer and any Class 6 Cannabis Delivery Service to a consumer occurring within the Township shall be prohibited from taking place in any public place or on any public property, and otherwise shall at all times be as follows:

1. Class 5 Cannabis Retailers shall only be permitted to sell, deliver or transfer cannabis and cannabis items to consumers within the indoor confines of the Class 5 Cannabis Retailer's licensed premises or through a separately licensed Class 6 Cannabis Delivery service.

2. Class 6 Cannabis Delivery Services shall only be permitted to deliver cannabis and cannabis items to private property, and only with the express permission and authorization of the owner of the property. Nothing herein shall be read or construed to conflict with any regulations and/or license conditions established by the Commissions with respect to the transport and delivery of cannabis and cannabis items by Class 6 Cannabis Delivery services.

**§ 394-15 Prohibition of Gifting Cannabis.**

No person shall gift cannabis, cannabis products and/or cannabis items, or any combination thereof in the Township of Mount Olive as part of a sale of another item or items. Gifting is the actual or attempted circumvention of state and local laws by giving cannabis, cannabis products and/or cannabis items to another in exchange for non-cannabis related purchases such as overpriced cookies, brownies, jars, stickers or any other items. This provision shall be interpreted and construed to be read so as to not conflict with the provisions of N.J.S.A. 2C:35-10 thru -10d.

**§ 394-16 Public Consumption of Cannabis or Marijuana Prohibited.**

- A. The consumption, smoking, vaping, or aerosolizing of marijuana (as defined in N.J.S.A. 2C:35-2), cannabis, any cannabis item(s), cannabis extract, cannabis resin, marijuana extract and/or marijuana resin is prohibited in, at, on or within any public property and/or public place in the Township of Mount Olive, including but not limited to, any public street, sidewalk, pedestrian plaza, park(s) or any indoor public place or portion thereof.
- B. The consumption, smoking, vaping or aerosolizing of marijuana, cannabis, cannabis item(s), cannabis extract, cannabis resin, marijuana extract and/or marijuana resin is prohibited in any place open to the public, pursuant to N.J.S.A. 2C:33-13 and/or the “New Jersey Smoke-Free Air Act,” P.L. 2005, c. 383 (N.J.S.A. 26:3D-55 et seq.) including any indoor place open to the public or portion thereof, where the smoking of tobacco is prohibited.
- C. It shall be unlawful for any person under the legal age who, without legal authority, knowingly possesses or knowingly consumes cannabis or any cannabis item, including by smoking, vaping or aerosolizing on private property.
- D. Any person or business found in violation of any provision in this subsection shall be subject to any and civil fines, penalties and other relief as set forth in Article IV of this Chapter.

**ARTICLE IV**

**PUBLIC NUISANCE DECLARED, FINES AND PENALTIES**

**§ 394-17 Public Nuisance Declared, Civil and Equitable Remedies Reserved, and Enforcement Authority.**

- A. The operation of any unlicensed, prohibited or unpermitted cannabis business and/or cannabis establishment within the Township of Mount Olive in violation of the laws and regulations of the State of New Jersey and/or the Code of the Township of Mount Olive, is hereby declared a public nuisance and shall be promptly abated.
- B. Engaging in any activity and/or conduct outside the scope of authority set forth in any license, permit and/or endorsement and/or in violation of any condition(s) of any license,

permit or endorsement shall by a licensee or holder of any State and/or Local Annual License is hereby declared a public nuisance and shall be promptly abated.

- C. The Municipal Prosecutor and/or Township Attorney of the Township of Mount Olive is hereby authorized to file suit in the Superior Court of New Jersey, Law Division and/or Municipal Court for temporary, preliminary and permanent restraints and injunctive relief to abate any violations of this Chapter of the Code of the Township of Mount Olive and/or the laws and regulations of the State of New Jersey, and to seek any and all available relief as permitted by law, including but not limited to fines, penalties, revocation of any license or permit, and other remedies otherwise provided by law.

**§ 394-18 Civil Fines and Penalties.**

- A. Any person(s), firm(s), business(es), corporation(s) and/or other organization(s), including any licensed cannabis retail business, found in violation of any provision(s) of the Township Code shall be subject to a civil fine and penalty not exceeding \$2,000.
- B. Any violation of the Township Code by a licensed cannabis retail business may be grounds for revocation and/or nonrenewal of any issued local annual cannabis license. Upon reasonable notice to the licensee by the Township Administration, a hearing shall be conducted before the Township Council to decide whether sufficient grounds exist to revoke any and all classes of local annual cannabis licenses issued to the licensee. The licensee may be permitted to be represented by legal counsel during the hearing, to present evidence, testimony and witnesses.
- C. Each and every day any person(s), firm(s), business(es), corporation(s) and/or other organization(s), including any licensed cannabis retail business, remains in violation of the provisions of the Township Code after the deadline for compliance set forth in any notice of violation issued by the enforcing officer(s) of the Township, shall be considered a continuing violation punishable as a separate and distinct offense and subject to a separate civil fine and penalty for each and every day the violation continues.
- D. The Municipal Court or Superior Court shall have jurisdiction to hear and decide any action(s) brought to enforce the provisions of the Township Code, the hearing for which shall be conducted in a summary manner pursuant to N.J.S.A. 2B12-16a, and any final order imposing fines and penalties for a violation of this code shall be enforceable in the Municipal Court or Superior Court and collectible as a lien against the property of the violator in accordance with the Penalty Enforcement Law of 1999, N.J.S.A. 2A:58-10 et seq.

**ARTICLE V**

**LOCAL TAXATION OF CANNABIS ESTABLISHMENTS AND CANNABIS  
BUSINESSES**

**§ 394-19 Local Cannabis Transfer and User Taxation.**

**A. Purpose.** In accordance with N.J.S.A. 40:48I-1 and 24:6I-46 of the New Jersey Cannabis Regulatory Enforcement Assistance and Marketplace Modernization Act. (“CREAMMA”), the purpose of this section is to establish and implement transfer and user taxes on the sale and transfer of cannabis and cannabis items for adult use by cannabis establishments located within the Township of Mount Olive. Unless otherwise stated hereinafter, all terms herein shall have the same meaning as found in N.J.S.A. 24:6I-33 of CREAMMA and Chapter 394 of the Code.

**B. Establishment of Cannabis Transfer Tax.**

1. Except for that portion of sales of “medical cannabis” as defined under the “Jake Honing Compassionate Use Medical Cannabis Act,” (N.J.S.A. 24:6I-1, et seq.), a transfer tax is hereby imposed on the gross receipts from each sale of cannabis and cannabis items on the following licensed person(s) or entities located within the Township of Mount Olive in the amounts set forth below:

- (a) A transfer tax of two percent shall be imposed on the gross receipts from each sale of cannabis and cannabis items by a cannabis cultivator; and/or
- (b) A transfer tax of two percent shall be imposed on the gross receipts from each sale of cannabis and cannabis items by a cannabis manufacturer; and/or
- (c) A transfer tax of two percent shall be imposed on the gross receipts from each sale of cannabis and cannabis items by a cannabis retailer to any other cannabis establishment, cannabis establishment and/or any retail consumer(s); and/or
- (d) A transfer tax of one percent shall be imposed on the gross receipts from each sale of cannabis and cannabis items by a cannabis wholesaler.

2. The transfer tax listed above shall apply to the gross receipts from each sale of cannabis and cannabis items from any of the cannabis establishments listed above to any other cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis retailer, cannabis retail consumer, and/or any combination thereof.

3. The transfer tax shall be stated, charged and shown separately on any sales slip, invoice, receipt or other statement or memorandum of the price paid or payable or equivalent value of the transfer for the cannabis or cannabis item.

4. The transfer tax shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity with regard to cannabis or cannabis items.

### **C. Establishment of Cannabis User Tax.**

1. Except for that portion of sales of “medical cannabis” as defined under the “Jake Honing Compassionate Use Medical Cannabis Act,” (N.J.S.A. 24:6I-1, et seq.), a user tax is hereby imposed at the equivalent transfer tax rate(s) set forth above on any concurrent license holder, as permitted by N.J.S.A. 24:6I-46, operating more than one cannabis establishment.
2. The user tax shall be imposed on the value of each transfer or use of cannabis or cannabis items not otherwise subject to the transfer tax imposed under sub-section B above of this section, from the license holder’s cannabis establishment that is located in the Township of Mount Olive to any of the other license holder’s establishments, whether located in the Township of Mount Olive or another municipality.
3. The user tax shall be stated, charged and shown separately on any sales slip, invoice, receipt or other statement or memorandum of the price paid or payable or equivalent value of the transfer for the cannabis or cannabis item.
4. The user tax shall be in addition to any other tax or fee imposed pursuant to statute or local ordinance or resolution by any governmental entity with regard to cannabis. Any transaction for which the user tax is imposed is exempt from the tax imposed under the Sales and Use Tax Act, N.J.S.A. 54:32B-1 et seq.

### **D. Collection of Cannabis Transfer and User Taxes.**

1. Every cannabis establishment required to collect the transfer and user taxes imposed by this this Section shall be personally liable for the transfer and user tax imposed, collected, or required by this Section and CREAMMA.
2. Any cannabis establishment collecting a transfer tax or user tax shall have the same rights with respect to collecting the said tax as afforded by CREAMMA; provided that in the event a cannabis establishment institutes an action or proceeding to collect any outstanding transfer taxes and/or user taxes by a cannabis establishment or consumer, the Chief Financial Officer of the Township shall be joined as a party in any such action or proceeding.
3. No cannabis establishment required to collect the transfer and user taxes imposed by this Chapter shall advertise or hold out to any person or to the public in general, in any manner, directly or indirectly, that the transfer tax or user tax will not be separately charged and stated to another cannabis establishment or the consumer or that the transfer tax or user tax will be refunded to the cannabis establishment or the consumer.

### **E. Remittance and Reporting of Cannabis Transfer and User Taxes.**

1. The taxes imposed by this section shall be paid to the Township (to the attention of



the Chief Financial Officer) on a quarterly basis. All revenues collected from a transfer taxes and user taxes imposed by this section shall be remitted to the Township's Chief Financial Officer by no later than the 15<sup>th</sup> day of the month following the last month of the quarter, along with a report certified as true and accurate by the cannabis establishment's Chief Financial Officer, Controller, or other similarly situated person, showing the gross revenues for the cannabis establishment, (and which shall delineate and separately itemize the gross revenues collected for medical cannabis), for each month of the quarter.

2. A cannabis establishment operating within the Township of Mount Olive shall also file on an annual basis by no later than April 15<sup>th</sup> of each year, a financial audit report from an independent accountant certifying as to the annual revenues of the preceding year, and distinguishing the medical cannabis from the adult use cannabis revenues and taxes. The cost of preparing the financial report shall be the sole and complete responsibility of the cannabis establishment.

#### **F. Delinquent taxes.**

1. If the transfer tax or user tax is not paid when due, the unpaid balance, and any interest accruing thereon, shall be a lien on the parcel of real property comprising the cannabis establishment's premises in the same manner as all other unpaid municipal taxes, fees or other charges.

2. The lien shall be superior and paramount to the interest in the parcel of any owner, lessee, tenant, mortgagee, or other person, except the lien of municipal taxes, and shall be on a parity with and deemed equal to the municipal lien on the parcel for unpaid property taxes due and owing in the same year.

3. The Township shall file in the office of the Municipal Tax Collector a statement showing the amount and due date of the unpaid balance of delinquent cannabis taxes and identifying the lot and block number of the parcel of real property that comprises the delinquent cannabis establishment's premises.

4. The lien shall be enforced as a municipal lien in the same manner as all other municipal liens are enforced.

5. Failure of the cannabis establishment to make full payment of the user and transfer taxes hereinabove imposed shall be grounds for the immediate revocation and/or termination of any local annual cannabis license. A local annual cannabis license shall not be renewed for the cannabis establishment should any transfer or user taxes pursuant to this section be delinquent unless until all outstanding user and transfer taxes are paid in full. All user and transfer taxes shall also be paid prior to any cannabis establishment making application to the Township's Zoning Officer and/or Planning Board for any land use approvals.

6. A copy of this section shall be transmitted to the NJ State Treasurer.

**SECTION 3.** Any article, section, paragraph, subsection, clause, or other provision of the Mount Olive Township Code inconsistent with the provisions of this ordinance is hereby repealed to the extent of such inconsistency.

**SECTION 4.** If any section, paragraph, subsection, clause, or provision of this ordinance shall be adjudged by a court of competent jurisdiction to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause, or provision so adjudged, and the remainder of this ordinance shall be deemed valid and effective.

**SECTION 5.** This Ordinance may be renumbered for purposes of codification.

**SECTION 6.** This ordinance shall take effect upon its passage and publication and filing as required by law.

Introduced: 5/28/2024

Adopted: 6/25/2024

Effective Date: 7/18/2024

TOWNSHIP OF MOUNT OLIVE



ALEX ROMAN, COUNCIL PRESIDENT

ATTEST: 6/25/2024



MICHELLE DEPINTO, MUNICIPAL CLERK