Ordinance of the City of Jersey City, N.J.

File No. Ord. 22-041 Agenda No. 3.6 (1st Reading)

Agenda No. 4.7 (2nd Reading and Final Passage)



ANOORDINANCE AMENDING CHAPTER 84 OF THE CITY CODE TO REGULATE THE SALE OF ADULT USE CANNABINOIDS AND TO AMEND CHAPTER 316 OF THE CITY CODE TO PROVIDE FOR THE REGISTRATION OF SMOKE SHOPS.

COUNCIL AS A WHOLE offered and moved adoption of the following ordinance:

WHEREAS, the State of New Jersey has adopted the definitions found in the Agriculture Improvement Act of 2018 (the "2018 Farm Bill"); and

WHEREAS, the 2018 Farm Bill creates uncertainty surrounding the legality of certain hemp products, including those that cause psychotropic effects; and; and

WHEREAS, the City is aware that certain hemp products with potentially psychotropic properties are available for sale in the City, and that minors have purchased and/or ingested these products; and

WHEREAS, New Jersey has outlawed the sale of flavored tobacco, flavored vape products; and

WHEREAS, New Jersey law further prohibits the sale of tobacco products to any person under the age of 21 years; and

WHEREAS, the City has an interest in monitoring the proliferation of "smoke shops" and "vape shops" and ensuring that they are in compliance with state and local laws pertaining to smoke-able and ingestible tobacco and hemp products; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF JERSEY CITY AS FOLLOWS:

A. Chapter 84 ALCOHOLIC BEVERAGES AND CANNABIS is hereby amended as follows:

§ 84-44. - Definitions.

As used in this Article, the following terms shall have the meanings indicated:

"ADULT USE CANNABINOIDS" means:

- 1. Any Tetrahydrocannabinols, artificially-derived cannabinoid, or Hemp product or that is not subject to regulation pursuant to the Jake Honig Compassionate Use Medical Cannabis Act, New Jersey Compassionate Use Medical Marijuana Act, and/or Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act, or otherwise regulated by State law, and that is reasonably determined to have an intoxicating effect when ingested, smoked, or otherwise consumed;
- 2. Tetrahydrocannabinolic acids that are artificially or naturally derived;
- 3. Delta-8 THC;
- 4. optical isomers of delta-8-tetrahydrocannabinol or delta-9-tetrahydrocannabinol

"ADULT USE CANNABINOID ITEMS" means any products containing 0.5 milligrams or more of any combination of THC or Adult Use Cannabinoids as defined herein, including delta-8 THC or delta-8-tetrahydrocannabinol, delta-10 THC, Tetrahydrocannabivarin ("THC-V"), THC-O-Acetate ("THC-O"), hexahydrocannabinol ("HHC"), or any other cannabinoids advertised by the manufacturer or seller as having an intoxicating effect;

"BOARD" means the Jersey City Cannabis Control Board.

APPROVED AS TO LEGAL FORM

Business Administrator Corporation Counsel

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"CANNABIS" means 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.2021, c.16 (C.24:6I-31 et al.) 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 (C.24:6I-1 et al.) and P.L.2015, c.158 (C.18A:40-12.22 et al.); marijuana as defined in N.J.S.2C:35-2 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 marijuana 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 CONSUMPTION AREA" means, as further described in section 28 of P.L.2019, c.153 (C.24:6I21), 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" means 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.

"CANNABIS DELIVERY SERVICE" means 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. This person or entity shall hold a Class 6 Cannabis Delivery license.

"CANNABIS DISTRIBUTOR" means 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 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.

"CANNABIS ESTABLISHMENT" means a cannabis cultivator, a cannabis manufacturer, a cannabis wholesaler, or a cannabis retailer.

"CANNABIS ITEM" means 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" means 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 WHOLESALER" means 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.

"COMMISSION" means the Cannabis Regulatory Commission established pursuant to section 31 of P.L.2019, c.153 (C.24:6I-24).

"CONSUMPTION" means the act of ingesting, inhaling, or otherwise introducing cannabis items into the human body.

"DELIVERY" means the transportation of cannabis items and related supplies to a consumer. "Delivery" also includes 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.

"DISTRIBUTE", "DISTRIBUTING", or "DISTRIBUTION" means to furnish, give away, exchange, transfer, deliver or supply, whether or not for monetary gain.

"HEMP" means the plant 9 Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 13 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

"INDOOR PUBLIC PLACE" means 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.

"MEDICAL CANNABIS" means 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.).

"PUBLIC PLACE" means any place to which the public has access that is not privately owned; or any place to which the public has access where alcohol consumption is not allowed, including, but not limited to, a public street, road, thoroughfare, sidewalk, bridge, alley, plaza, park, playground, swimming pool, shopping area, public transportation facility, vehicle used for public transportation, parking lot, public library, or any other public building, structure, or area.

§ 84-54. Sale of Adult Use Cannabinoid Items to Minors Prohibited

A. It shall be unlawful and a violation of this Article to sell, or offer for sale, or distribute any Adult Use Cannabinoid Item to an individual under the age of 21 years.

B. Any person who sells any Adult Use Cannabinoid Items and who has reasonable cause to believe that a person who attempts to purchase the product is under 30 years of age shall require that the purchaser present identification that indicates his or her age.

C. A person may only sell Adult Use Cannabinoid Items products in a direct, face-to-face exchange between the retailer and the consumer. Self-service displays, vending machines, and delivery of Adult Use Cannabinoid Items are prohibited.

D. In addition to the authority and powers conferred herein, the Health Officer is authorized to suspend or revoke any license issued to a license holder in violation any of the provisions of this Section. No suspension or revocation shall take place prior to the license holder having an opportunity to be heard upon at least 10 days' notice.

§ 84-54<u>55</u>. – Violations; penalties.

Any person or corporation convicted of violating any of the provisions of this Chapter shall be subject to the penalties set forth in § 1-25.

B. Chapter 316 TOBACCO PRODUCTS AND ELECTRONIC SMOKING DEVICES is hereby amended as follows:

§ 316-1. - Definitions.

As used in this Chapter:

ELECTRONIC SMOKING DEVICE means any electronic product that delivers nicotine or other substances to the person inhaling from the device, including, but not limited to, electronic cigarettes (e-cigarettes), electronic cigars, (e-cigars), electronic pipes (e-pipes), vape pens, or electronic hookahs (e-hookahs). "Electronic smoking devices" shall include any component or accessory of such a device, whether sold separately or not, including any filters and liquids used in such devices, but does not include any similar devices approved for sale by the U.S. Food and Drug Administration for medicinal purposes as those items are defined in the Federal Food, Drug and Cosmetic Act.

FLAVORED TOBACCO PRODUCT means any tobacco product that contains a taste or smell other than the taste or smell of tobacco and which is distinguishable by an ordinary consumer either prior to, or during, its consumption, including, but not limited to, any taste or smell similar to chocolate, cocoa, fruit, vanilla, honey, or any candy, dessert, alcoholic beverage, herb, or spice.

PERSON means any natural person, partnership, firm, joint stock company, corporation, or other legal entity, including an employee of a legal entity.

SMOKE SHOP and TOBACCO STORE shall mean any premises that derives fifty percent or more of its gross revenue on a quarterly basis from the display, sale, distribution, delivery, offering, furnishing, or marketing of tobacco, Tobacco Products, or Tobacco Paraphernalia; provided, however, that any grocery store, supermarket, convenience store or similar retail use that only sells conventional cigars, cigarettes, or tobacco as an ancillary sale shall not be defined as a Smoke Shop or Tobacco Store and shall not be subject to the requirements of this chapter.

TOBACCO PARAPHERNALIA shall mean any paraphernalia, equipment, device, or instrument other than a lighter or matches that is primarily designed or manufactured for the smoking, chewing, absorbing, dissolving, inhaling, snorting, sniffing, or ingesting by any other means into the body of tobacco, Tobacco Products, or other controlled substances as defined herein. Tobacco Paraphernalia shall include but is not limited to pipes, punctured metal bowls, bongs, water bongs, electric pipes, e-cigarettes, Electronic Smoking Devices, vaporizers, and hookahs.

TOBACCO PRODUCT means any product containing, made of, or derived from tobacco or nicotine, that is intended for inhalation. The term "tobacco product" does not include drugs, devices or combination products approved for sale by the U.S. Food and Drug Administration, as those terms are defined in the Federal Food. Drug and Cosmetic Act.

§ 316-4. Registration of Smoke Shops and Tobacco Stores

A. All Smoke Shops and Tobacco Stores shall register with the Department of Public Safety within sixty (60) days from the date of opening the store or within sixty (60) days of qualifying as a Smoke Shop or Tobacco Store as defined herein. Upon such registration, such use may thereafter be continued for a period not to exceed one (1) year, at which time the Smoke Shop and Tobacco store shall renew its registration. The Department of Health and Human Services is authorized and empowered to promulgate such written rules and regulations as are necessary to carry out the provisions of this Section.

B. All Smoke Shops and Tobacco Stores currently in operation at the time this ordinance takes effect shall be required to register as a Smoke Shop or Tobacco Store prior to the issuance of any permit by the City Construction Official or Department of Health and Human Services.

C. The Department of Public Safety's Division of Quality of Life and Division of Police and the Department of Health and Human Services are individually and severally empowered to enforce the provisions of this article. The respective enforcing official may, in his or her discretion, provide a warning for a first-time offense.

§ 316-4<u>5</u>. - Violations and penalties.

The penalty for violating this article shall be as provided in Chapter 1, General Provisions, § 1-25.

In addition to the penalties provided in Chapter 1, General Provisions, § 1-25, any applicable license to sell tobacco products or food items may be suspended for a first or second violation of § 316-4. A license may be revoked for a third or subsequent violation of § 316-4.

- C. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- D. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible repeals of existing provisions.
- E. This ordinance shall take effect at the time and in the manner provided by law.
- F. This ordinance shall be a part of the Jersey City Code as though codified and incorporated in the official copies of the Jersey City Code.

Ord. 22-041

AnoOrdinance amending Chapter 84 of the City Code to regulate the sale of adult use cannabinoids and to amend Chapter 316 of the City Code to provide for the registration of smoke shops.

NOTE: All new material is <u>underlined</u> words <u>struck through</u> are omitted. For purposes of advertising only, new matter is **boldface** and repealed by *italics*.

RECORD OF COUNCIL VOTE ON INTRODUCTION – Apr 13 2022						
RIDLEY	AYE	SALEH	AYE	DEGISE	AYE	
PRINZ-AREY	AYE	SOLOMON	AYE	RIVERA	AYE	8-0
BOGGIANO	AYE	GILMORE	AYE	WATTERMAN, PRES	ABSENT	

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING – Apr 27 2022						
RIDLEY	AYE	SALEH	AYE	DEGISE	AYE	
PRINZ-AREY	AYE	SOLOMON	AYE	RIVERA	AYE	8-0
BOGGIANO	ABSENT	GILMORE	AYE	WATTERMAN, PRES.	AYE	

SPEAKERS:

Natasha Athab, Philip Carrington, Elena Glieth, Hipolito Ovalles

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY –					
RIDLEY	SALE	Н		DEGISE	
PRINZ-AREY	SOLO	MON		RIVERA	
BOGGIANO	GILM	ORE		WATTERMAN, PRES.	

RECORD OF FINAL COUNCIL VOTE – Apr 27 2022						
RIDLEY	AYE	SALEH	AYE	DEGISE	AYE	
PRINZ-AREY	AYE	SOLOMON	AYE	RIVERA	AYE	8-0
BOGGIANO	ABSENT	GILMORE	AYE	WATTERMAN, PRES.	AYE	

Adopted on first reading of the Council of Jersey City, N.J. on <u>Apr 13 2022</u> Adopted on second and final reading after hearing on <u>Apr 27 2022</u>

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on Apr 27 2022

City Clerk

Joyce E. Watterman, President of Council

Approved: Apr 27 2022

Steven M. Fulop, Mayor Date to Mayor: Apr 28 2022 Approved: Apr 28 2022

Ord. 22-041

AnoOrdinance amending Chapter 84 of the City Code to regulate the sale of adult use cannabinoids and to amend Chapter 316 of the City Code to provide for the registration of smoke shops.

FACT SHEET -

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the ordinance.

Project Manager

Daniel Rivera, Councilperson		201-547-5204	DRivera@jcnj.org
Division	Municipal Council		

Note: Project Manager must be available by phone during agenda meeting (Wednesday prior to council meeting @ 1:00 p.m.)

Pur	pose
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An Ordinance to Regulate the Sale of Certain Cannabinoid Products to Minors and to Provide for the Registration of Smoke Shops

of Smoke Shops	
Cost (Identify all sources and amounts)	Contract term (include all)
N/A	
Approved by	Status:
John Metro, Business Administrator	Approved - Apr 20 2022