

New Jersey Expands Medical Marijuana Program

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On March 27, 2018, New Jersey Governor Phil Murphy effectively expanded the state's medical marijuana program, announcing the 20-plus recommendations presented by the New Jersey Department of Health on March 23. The Health Department's report was compiled in response to Executive Order 6, which the Governor issued on January 23 in order to spark a comprehensive review of New Jersey's underutilized medical marijuana program. Current program participation includes 18,574 patients, 536 physicians and 869 caregivers – a comparatively small figure when looking at states with a similar-sized population.

The Health Department's recommendations and next steps include certain measures that take immediate effect (e.g. the addition of debilitating conditions and the reduction of registration fees). Other recommendations (e.g. the home delivery model) will require further regulatory or statutory enactment.

The following is a partial list of the Health Department's recommendations:

1. Expansion of the qualifying conditions for obtaining a medical cannabis recommendation to include anxiety, chronic pain related to musculoskeletal disorders, chronic pain of visceral origin, migraine and Tourette's Syndrome;
2. Direction to create a patient, caregiver, and physician mobile access portal to provide for the secure uploading of documents and submission of payment;
3. Reduction of registration fees to qualifying patients from \$200 to \$100 and expansion of the reduced fee of \$20 to include senior citizens and military veterans;
4. Ability for patients to obtain medical marijuana at any alternative treatment center (ATC);

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5. Permission for patients to have two caregivers upon request – eliminating the one caregiver limit;
6. Elimination of the 10% THC limit;
7. Permission for all patients to consume edible cannabis products;
8. Direction to create separate endorsement systems within the ATC permitting process (cultivation, processing and dispensing);
9. Permission for an unlimited supply of product for patients in hospice;
10. Increase of the maximum monthly product limit to four ounces;
11. Elimination of the physician registry;
12. Elimination of the requirement for a psychiatrist evaluation for a minor patient;
13. Permission for physicians to use cannabis as a “first-line” treatment;
14. Provision for satellite ATC locations for dispensing and cultivations;
15. Elimination of the non-profit requirement for original ATCs;
16. Consideration of home delivery models; and
17. Elimination of sales tax on medicinal marijuana.

The complete report is available at: http://nj.gov/health/medicalmarijuana/documents/EO6Report_Final.pdf

The medical marijuana program expansion follows on the heels of the new federal spending bill signed into law on March 23, 2018 that continues the Rohrabacher-Blumenauer Amendment, which bars the Justice Department from utilizing authorized funds to prevent New Jersey (and other cited states, the District of Columbia, Guam and Puerto Rico) from implementing their own laws authorizing the use, distribution, possession or cultivation of medical marijuana. This extension is effective through September 2018.

For parties interested in the medical marijuana business in New Jersey, timing is critical. Steps should be underway for assembling a team in order to timely complete the application process once the expansion program moves into full swing.

To learn more about the medical marijuana business in New Jersey, please contact the authors of this Alert, **Jack Fersko** and **Mitchel S. Kay**. The attorneys in this practice area will advise potential and existing clients that the possession, sale, manufacture, use or distribution of marijuana is illegal under federal law, and that the legalization of marijuana under any state or local law does not override the federal law. Any legal work or advice the firm may provide related to contracts, financing, leasing, the formation of business entities, dispute resolution or any other legal work that a business may require is not intended to advise a client to engage in a business or activity that violates any federal or state law.