

## CHAPTER 48

**AN ACT** concerning economic incentives for certain cannabis businesses and amending P.L.2021, c.16.

**BE IT ENACTED** by the Senate and General Assembly of the State of New Jersey:

1. Section 37 of P.L.2021, c.16 (C.24:6I-49) is amended to read as follows:

C.24:6I-49 Business treatment of cannabis establishments, distributors, and delivery services.

37. Business Treatment of Cannabis Establishments, Distributors, and Delivery Services.

With respect to the business treatment of cannabis establishments, distributors, and delivery services:

a. A financial institution, as defined by section 2 of P.L.1983, c.466 (C.17:16K-2), shall not, subject to the suspension or revocation of a charter or other available enforcement action by the Commissioner of Banking and Insurance, engage in any discriminatory activities with respect to the banking activities of a cannabis establishment, distributor, or delivery service, or the banking activities of a person associated with a cannabis establishment, distributor, or delivery service.

b. (1) In no case shall a cannabis cultivator operate or be located on land that is valued, assessed or taxed as an agricultural or horticultural use pursuant to the "Farmland Assessment Act of 1964," P.L.1964, c.48 (C.54:4-23.1 et seq.).

(2) (a) (i) A person or entity issued a license to operate as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or that employs a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service shall not be eligible for a State or local economic incentive.

(ii) The issuance of a license to operate as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or the issuance of a certification to perform work for or on behalf of a cannabis establishment, distributor, or delivery service to a person or entity that has been awarded a State or local economic incentive shall invalidate the right of the person or entity to benefit from the economic incentive as of the date of issuance of the license or certification.

(b) (i) A property owner, developer, or operator of a project to be used, in whole or in part, by or to benefit a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or to employ a certified personal use cannabis handler to perform work for or on behalf of a cannabis establishment, distributor, or delivery service, shall not be eligible for a State or local economic incentive during the period of time that the economic incentive is in effect.

(ii) The issuance of a license to operate as a cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service, or issuance of a certification to perform work for or on behalf of a cannabis establishment, distributor, or delivery service at a location that is the subject of a State or local economic incentive shall invalidate the right of a property owner, developer, or operator to benefit from the economic incentive as of the date of issuance of the license or certification.

c. As used in this section:

(1) "Small business" means any business which has its principal place of business in this State, is independently owned and operated, and employs the equivalent of fewer than 250 full-time employees.

(2) “State or local economic incentive” means a financial incentive awarded by the State pursuant to the “New Jersey Economic Recovery Act of 2020,” P.L.2020, c.156 (C.34:1B-269 et al.), any political subdivision of the State, or any agency or instrumentality of a political subdivision of the State, to any non-governmental person, association, for-profit or non-profit corporation, joint venture, limited liability company, partnership, sole proprietorship, or other form of business organization or entity agreed to between the government and non-governmental parties, for the purpose of stimulating economic development or redevelopment in New Jersey including, but not limited to, a bond, grant, loan, loan guarantee, matching fund, tax credit, or other tax expenditure. “State or local economic incentive” shall not include:

(a) financial incentives awarded pursuant to a program created by the New Jersey Economic Development Authority for the purpose of providing financial or technical assistance to a prospective or licensed cannabis cultivator, cannabis manufacturer, cannabis wholesaler, cannabis distributor, cannabis retailer, or cannabis delivery service that qualifies as a small business if the program created by the authority:

(i) requires a portion of any funds made available under the program to be reserved for businesses operating within an impact zone as defined in paragraph (1) of subsection e. of section 19 of P.L.2021, c.16 (C.24:6I-36); or

(ii) is funded in whole or in part through an appropriation of monies derived from the Social Equity Excise Fee pursuant to section 39 of P.L.2021, c.16 (C.54:47F-1) and provides that the monies appropriated from the Social Equity Excise Fee shall be restricted to businesses operating within an impact zone as defined in paragraph (1) of subsection e. of section 19 of P.L.2021, c.16 (C.24:6I-36); and

(b) funding made available by the Department of Labor and Workforce Development for on-the-job training.

2. This act shall take effect immediately.

Approved June 30, 2022.