

WHY NOW:

NEW JERSEY JUST MADE CANNABIS EMPLOYMENT LAWSUITS MUCH EASIER

SANDERS V. LEVARI GROUP (2026)



A Landmark Decision Expanding Employer Liability for Cannabis-Related Employment Decisions

In May 2026, the New Jersey Appellate Division issued a groundbreaking decision in *Sanders v. Levari Group* (A-2715-23), holding that individuals can sue employers directly for cannabis-related employment discrimination under New Jersey's Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (CREAMMA).

The decision dramatically expands employer liability and confirms that job applicants and employees have a private right of action when employers violate New Jersey's cannabis employment protections.

For employers, this ruling changes the legal landscape surrounding pre-employment drug testing, hiring decisions, and workplace cannabis policies.

What the Court Decided:

- Employees and Applicants Can Sue Employers Directly
 - The court confirmed that CREAMMA includes an implied private right of action, allowing individuals to file lawsuits directly against employers who violate New Jersey's cannabis employment protections.
- Positive THC Tests Are Not Evidence of Impairment
 - The court reinforced that a positive cannabis metabolite test reflects prior cannabis exposure—not current workplace impairment.
- Lawful Off-Duty Cannabis Use Is Protected
 - The ruling confirmed that employers cannot rescind job offers or take adverse employment action based solely on lawful off-duty cannabis use protected under New Jersey law.

The Case at a Glance

A job applicant received a conditional offer of employment from Levari Group but later tested positive for cannabis metabolites during the pre-employment screening process.

The applicant maintained that the positive result reflected lawful off-duty cannabis use permitted under New Jersey law.

After the employer rescinded the job offer based solely on the positive test result, the applicant filed suit under CREAMMA.

Although the trial court initially dismissed the case, the New Jersey Appellate Division reversed that decision and held that the applicant had the right to pursue legal action directly against the employer.

Why This Ruling Changes Everything



It Is Now Much Easier for Employees and Applicants to Sue Employers

By recognizing a private right of action under CREAMMA, the court significantly lowered the barriers for individuals seeking to challenge cannabis-related employment decisions.

Employers may now face litigation arising from:

- Pre-employment drug testing
- Rescinded job offers
- Hiring decisions
- Disciplinary actions
- Terminations
- Zero-tolerance workplace policies

State Cannabis Employment Protections Continue to Expand

The Sanders decision establishes important precedent regarding:

- The strength of employee protections under state cannabis laws
- The ability of individuals to pursue private lawsuits against employers
- The limitations of traditional workplace drug testing as a basis for employment decisions

Drug Testing Alone Is No Longer a Defensible Strategy

As workplace cannabis laws evolve, employers increasingly need policies that focus on actual workplace impairment rather than historical cannabis use.

The legal question is no longer whether an employee used cannabis at some point in the past.

The question is whether there is objective evidence of impairment affecting workplace performance or safety.

What Employers Should Do Now?

Organizations operating in states with cannabis employment protections should immediately evaluate their workplace policies and procedures, including:

- Drug testing policies
- Reasonable suspicion procedures
- Impairment observation protocols
- Supervisor training programs
- Documentation practices
- Fitness-for-duty decision-making processes

This is where **Advanced Training Products (ATP)** can help. ATP works with employers to develop legally defensible workplace impairment programs through supervisor training, impairment observation protocols, documentation tools, and fitness-for-duty decision-making frameworks designed to help organizations adapt to the changing legal landscape surrounding cannabis in the workplace.



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Solutions@AdvancedTrainingProducts.com



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References:

- New Jersey Superior Court, Appellate Division. Sanders v. Levari Group, LLC, Docket No. A-2715-23, decided May 28, 2026. [New Jersey Courts Opinion \(PDF\)](#)
- New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (CREAMMA), N.J.S.A. 24:6I-31 et seq., including employment protections under N.J.S.A. 24:6I-52.
- "New Jersey Appellate Court Rules Job Applicants Can Sue Employers for Cannabis Discrimination," The New Jersey Employment Law Firm Blog, May 29, 2026.
- New Jersey Legislature. Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (CREAMMA), employment discrimination provisions.