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COMMONWEALTH of the NORTHERN MARIANA ISLANDS  
**OFFICE OF THE GOVERNOR**

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS  
CANNABIS COMMISSION

A meeting of the CNMI Cannabis Commission will be held on **Thursday, December 10, 2020, at 10:30 A.M.** at the Office of the Commonwealth Cannabis Commission Conference Room located in Bldg. 1341, Asencion Ct., Capitol Hill, Saipan.

AGENDA

- I. Call to Order
- II. Roll Call/Determination of Quorum
- III. Consideration and adoption of Agenda
- IV. Consideration and adoption of Minutes of prior meetings
- V. Public Comment
  
- VI. Old Business
  1. Final Discussion and Voting of Adoption into Regulation: (Part 1400 Laboratory License) Cannabis Laboratories as it relates to cannabis licensees and research certificate holders: Laboratory Licensing Requirements, Laboratory Tracking and Reporting and Laboratory Licensee Prohibited Conduct
  2. Final Discussion and Voting of Adoption into Regulation: Cannabis Events
  3. Discussion on proposed amendments to PL 20-66 & 21-05
  
- VII. New Business
  1. Discussion on Cannabis Tracking System RFP
  2. Discussion and Voting to amend start-up inventory date requirements in relation to commercial licensees
  3. Discussion on recent zoning meetings
  4. Recap of meetings with Legislature
  5. Managing Director's Report
  
- VIII. Adjournment

Copies of this notice and agenda have been posted at the Administration Building Entrance Hall, the House of Representatives Entrance Hall, and the Senate Entrance Hall.

Written comments on the agenda may be submitted to the CNMI Cannabis Commission, through the Office of the Governor or emailed to [info@cnmicannabis.org](mailto:info@cnmicannabis.org) on or before the meeting date. Oral testimony may be presented during the meeting on Thursday, December 10, 2020.

**CNMI Cannabis Commission  
Regular Session Meeting Minutes  
December 10, 2020**

**I. Call to Order**

Chairwoman Nadine Deleon Guerrero called the CNMI Cannabis Commission's meeting to order at 10:30 a.m., which was held at the Office of the Commonwealth Cannabis Commission Conference Room located in Bldg. 1341, Asencion Ct., Capitol Hill, Saipan.

**II. Roll Call/Determination of Quorum**

Chairwoman called roll of the commissioners:

Vice Chairman Matthew Deleon Guerrero, representing Saipan, was present;  
Secretary Journie Hofschneider, representing Tinian, was present (teleconference);  
Treasurer Valentino Taisacan, representing Northern Islands, was present;  
Member Thomas Songsong, representing Rota, was present (teleconference).

Chairwoman announced the presence of all commissioners and confirmed quorum. Also in attendance were Commission Managing Director Monique Sablan and AAG Keisha Blaise.

**III. Consideration and adoption of Agenda**

Chairwoman motioned for the adoption of the agenda, seconded by Treasurer; motion carried.

**IV. Consideration and adoption of Minutes of prior meetings**

Vice Chairman motioned to adopt the July 27, 2020 minutes, seconded by Chairwoman; motion carried.

**V. Public Comment**

Chairwoman opened the floor for public comment; Chairwoman later announced that no members of the public were present for public comment.

**VI. Old Business**

- 1. Final Discussion and Voting of Adoption into Regulation: (Part 1400 Laboratory License) Cannabis Laboratories as it relates to cannabis licensees and research certificate holders: Laboratory Licensing Requirements, Laboratory Tracking and Reporting, and Laboratory Licensee Prohibited Conduct**

Matters discussed concerned accreditation of cannabis laboratory testing facilities and the availability of local accreditation/licensing board for laboratories, if any. The Chairwoman indicated that no changes were made to the laboratory regulation (since the Commission's initial adoption of its Laboratory License regulation on September 25, 2020) except that the Commission is now considering the insertion of the ISO (International Organization for Standardization) accreditation standards component into the laboratory license regulation.

After hearing no further discussion on the laboratory accreditation issue, Chairwoman motioned to vote to adopt the ISO accreditation standards into Part 1400 of the Laboratory License regulation with the notion that the Commission recognizes the need to further review cannabis accreditation and testing standards, and that the Commission would consider future amendments to its regulation, seconded by Treasurer. All commissioners voted in favor of the motion, motion carried.

## **2. Final Discussion and Voting of Adoption into Regulation: Cannabis Events**

The cannabis events fee schedule and components of its regulation were discussed which was based on statutory requirements, e.g., application, special events plan, etc., and the new additions with definitions, e.g., passive use, temporary license premises designation, etc., and the addition of part 1510 subsection 1 describing underage and over intoxicated patrons at events and so forth.

Vice Chairman motioned to adopt the Cannabis Events regulation, seconded by Chairwoman; all commissioners voted in favor of the motion, motion carried.

## **3. Discussion on proposed amendments to PL 20-66 and 21-05**

Chairwoman moved for this discussion to go under the Managing Director's report since she has some issues to discuss relating to applicants.

Vice Chairman suggested that before moving on, the Commission needs to re-adopt the regulation under Marijuana Research Certificate to amend the typographical error from "Marianas Research Certificate" to "Marijuana Research Certificate," and motioned for its re-adoption to include the requirement that Marijuana Research Certificate holders share its research findings with the Commission, seconded by Chairwoman. All commissioners voted in favor of the motion, motion carried.

## **VII. New Business**

### **1. Discussion on cannabis tracking system RFP**

Chairwoman indicated that her meeting with the legislature appeared to suggest their funding support for the acquisition of a cannabis tracking system, but that the Commission needs to continue its effort and approach with the legislature to determine if they will be capable of funding the Commission's CTS.

A CTS request for proposal was discussed in the areas of RFP publishing and specifications, and CTS provider evaluation process and end user affordability.

### **2. Discussion and Voting to amend start-up inventory date requirements in relation to commercial licensees**

Chairwoman stated that the Commission is considering amending its initial adoption of the date of the licensee start-up inventory reporting requirement from the period January 1, 2020 - January 1, 2021 to January 1, 2021 - January 1, 2022.

A question was raised whether one year (12 months) was sufficient time for a licensee to accomplish its start-up inventory and reporting, e.g., seeds, equipment, facility, premises, etc., or if one and one half years (18 months) would be more favorable.

After considerable discussion, Vice Chairman motioned to adopt the amendment to change the start-up inventory reporting requirement date from January 1, 2020 – January 1, 2021 to January 1, 2021 - January 1, 2022, seconded by Chairwoman. All commissioners voted in favor of the amendment, motion carried.

### **3. Discussion on recent zoning meetings**

Managing Director discussed her attendance at zoning public hearing(s) and its approval of most commercial cannabis applicants with no denials to date, including the few other applicants working on meeting zoning requirements although some expressed criticism over zoning requirement hurdles.

MD continued with mentioning her meeting with the SNILD (Saipan & Northern Islands Legislative Delegation) Chairman JP to discuss the proposed amendment of the Saipan zoning law in which he aired concern over the zoning agency's input or opportunity to

comment on the proposed bill, including meeting with the zoning agency to discuss the legislature's proposed amendment of the zoning law.

#### **4. Recap of meetings with Legislature**

Chairwoman discussed the Commission's presentation to the Senate and House Legislative Committees on Cannabis on the following:

- Activities and progress;
- Funding for Cannabis Tracking System and IT personnel; and
- Amendment of CNMI cannabis law to annul the legislative appropriation requirement of application and license fees allotted for Commission operations.

Chairwoman additionally reported that the SNILD showed support of the Commission's funding needs, although the Commission may have to wait and meet with the next legislative body/committee as the current legislature is nearing its end of its term.

Also discussed was an inquiry/dialogue from a member of SNILD on the topics of:

- The applicability of personal use cannabis growers under the homegrown registry to sell cannabis;
- The original intention or priority of the CNMI cannabis law was to address medical marijuana, and not necessarily homegrown personal use or commercialized marijuana;
- The applicability of local traditional healers (Suruhanu) who use/heal with native medicinal plants to make recommendations for the use of medical marijuana for healing purposes;
- The mention of the preferred use of the word "personal" rather than "recreational" in reference to marijuana.

As a result of the above-mentioned inquiry/dialogue, the Commission expressed that it addresses the differing aspects of cannabis production, public use and safety in its regulations as effectuated by current CNMI cannabis law, and will look into the other topics mentioned in conformity with local or nationwide uniformed standards, licensing boards, laws and regulations.

**RECESS:** Chairwoman called for recess at 11:49 a.m.; meeting was called back to order at 12:00 p.m.

## 5. Managing Director's Report

Managing Director updated the Commission about its FY 2021 budget showing \$43,780 for personnel and availability of three FTEs for the fiscal year, \$9,528 for operations, and \$181,800 board compensation. She additionally stated that her employment contract expired and was renewed, unfortunately, her wage increase was not implemented due to insufficient funds, and thus wage remains as in initial contract.

MD expressed the priority hiring of an IT personnel, followed by permitting staff and then an office manager, including the possibility of inter-agency sharing of enforcement staff, i.e., the Department of Commerce's ABTC enforcement staff.

Before furthering with her report, MD suggested possible amendments to consider with the CNMI cannabis law on certain issues she had discussed with the Secretary, and asked if the Secretary would like to share these concerns.

Secretary followed-up as a matter for discussion the idea of non-cancellation of cannabis licenses for failure to operate or continuously operate should a licensee fall into a non-operational state or dormant for reasonable cause, unexpected or unintended disruption other than recoup from natural disasters, e.g., fire, burglary, death of licensee, ownership transfer, etc. Vice Chairman responded that the dormancy issue (other than from natural disasters) is a great idea that could be addressed regulatorily.

Secretary continued with considering the establishment of an administrative fee schedule for reexamining unapproved changes to existing licensees' product labeling, management, business name, ownership transfer, receivership, etc., as these situations costs staff time in reevaluating documentation to meet regulatory qualifying standards and attaining Commission approval, or disapproval.

Secretary additionally spoke of issues for point of clarification on certain permissible and impermissible structural cannabis establishments, e.g., mobile or fixed container type structures, and the differing landowner land use agreements, e.g., land use authorization and land lease. MD responded by ascertaining the acceptability of land use authorizations that must be accompanied with the landowner's land title or deed through her verification with the AAG.

Vice Chairman suggested a formal template be prepared which could act as a uniform standard to assist both landowners and the Commission address with specificity appropriate answers/documentation to landownership, in addition that the issues brought up by the Secretary with licensee dormancy could be packaged into the Commission's

proposed regulation changes in the next register filing along with the medical marijuana regulations.

Chairwoman agreed to continue discussion of the issues raised by the Secretary in the Commission's next meeting under administrative fee schedules, categories and procedures.

MD resumed her reporting with the Homegrown Registry fees bringing in \$825 to date (since August 4, 2020 application opening date) resulting from eleven (11) total applicants of which nine (9) are out of Saipan and one (1) each from Tinian and Rota. She then conveyed her understanding as to why personal use cannabis growers seem to be reluctant to apply under the homegrown registry.

MD proceeded with updating the Commission on the twelve (12) pending commercial cannabis applications under review/processing, and receipt of an additional four (4) commercial producer, retail and lounge applications. She expressed the slow processes in adjudicating applications to which she pointed out the necessity to streamline the application process in order to make it clearer to applicants the need to provide sufficient detailed information, i.e., no one-liner/one-sentence plans or providing meaningful data, including submittal of complete documentation to complete application.

Vice Chairman offered the Commission's guidance in dealing with certain aspects the MD finds necessary in streamlining the application review/completion processes in line with the applicant's understanding in assuring submittal of detailed information, in addition to ensuring uniformity amongst applicants.

MD raised questions with the issue of police clearance whether the Commission would necessitate it with resident/nonresident application documentation, and with the 5-year residency requirement whether a combination of documents, e.g., tax forms and dental visitation receipt, would suffice to qualify under the residency requirement.

MD continued with allowable cannabis products under the processor license in the absence of a cannabis testing laboratory; processor product endorsements were discussed and the consensus that cannabis infused foods, edibles and other internally consumable cannabis products are not allowed for now without or until a cannabis laboratory testing facility is available that would address consumer confidence and safety, which leaves topical as the remaining cannabis processed product that is used externally.

MD concluded with sharing public concerns over federal government intervention with CNMI licensed cannabis cultivators and retailers.

Chairwoman opened the floor for any further discussion before adjourning the meeting; Vice Chairman responded with certain administrative aspects the Commission will engage as discussed in this meeting while the Secretary briefly touched on Commission resolutions.

### **VIII. Adjournment**

Chairwoman will notify the Commission on its next scheduled meeting date and moved to adjourn the meeting at 2:31 p.m.; all commissioners moved in favor of meeting adjournment.