



**COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
CANNABIS COMMISSION**

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A meeting of the CNMI Cannabis Commission will be held on **Friday, February 25, 2022 at 10:30 A.M.** at the Office of the CNMI Cannabis Commission Conference Room located at Ascencion Ct., Bldg. 1341, Capitol Hill, Saipan.

AGENDA

- I. Call to Order
- II. Roll Call/Determination of Quorum
- III. Opening Remarks
- IV. Consideration and adoption of Agenda
- V. Consideration and adoption of Minutes from prior meetings
- VI. Public comment

- VII. Old Business
 - a. Discussion and vote to amend § 180-10.1-610a1: Start-up Inventory specific to reporting requirements
 - b. Discussion and vote to amend § 180-10.1-410a8: Licensee Prohibitions specific to product delivery by retailers

- VIII. New Business
 - a. Discussion on Commission Budget for FY 2022-2023
 - b. Discussion on Internal commission zoning procedures for Rota and Tinian commercial applicants

- IX. Executive Session
 - a. Legal matters – AAG
 1. LSR Re: Inter-island transport
 2. Other legal matters

- X. Managing Director's Report

- XI. Miscellaneous Remarks

- XII. Adjournment

Copies of this notice and agenda have been posted at the Administration Building Entrance Hall, the House of Representatives Entrance Hall, the House of Senate Entrance Hall and www.cnmicannabis.org, the CNMI Cannabis Commission's official website.

Written comments on the agenda may be submitted to the Office of the CNMI Cannabis Commission located at Ascencion Ct., Bldg. 1341, Capitol Hill, Saipan or emailed to info@cnmicannabis.org on or before the meeting date. Oral testimony may also be presented during the meeting on Friday, February 25, 2022.

CNMI Cannabis Commission
Regular Session Meeting Minutes
February 25, 2022

I. Call to Order

Chairwoman Nadine Deleon Guerrero called the CNMI Cannabis Commission's meeting to order at 10:46 a.m., which was held at the Office of the CNMI Cannabis Commission Conference Room located at Ascencion Ct., Bldg. 1341, Capitol Hill, Saipan.

II. Roll Call/Determination of Quorum

Chairwoman called roll of the commissioners:

Vice Chairman Mathew Deleon Guerrero, representing Saipan, was present;
Secretary Journie Hofschneider, representing Tinian, was present;
Member Thomas Songsong, representing Rota, was present; and
Treasurer Valentino Taisacan, representing the Northern Islands, was present.

Chairwoman announced the presence of all commissioners via Zoom video conference and confirmed quorum.

III. Opening Remarks

Chairwoman announced meeting attendance with AAG Kiesha Blaise and Managing Director (MD) Monique Sablan via Zoom.

IV. Consideration and adoption of Agenda

Chairwoman asked the commission members if there were any questions or discussion on the agenda. Hearing no comment, Chairwoman motioned to adopt the agenda, seconded by the Secretary. All commissioners voted in favor of the motion, motion carried.

V. Consideration and adoption of Minutes of prior meetings

Chairwoman inquired about the pending January 29, 2021 meeting minutes. Member Songsong replied that he had received comment from the Vice Chairman on that meeting minutes, but has not submitted it to the commission for adoption, and then motioned for the tabling of the January 29, 2021 meeting minutes to the next meeting, seconded by Treasurer Taisacan. All commissioners voted in favor of the motion, motion carried.

Chairwoman moved on saying that there are the May 4th, May 5th, May 28th, June 24th, June 25th, July 1st and August 27th of 2021 meeting minutes needing adoption, and mentioned that there is a minor typographical spelling error of a word (there/their)

requiring amendment in the June 24th meeting minutes in the last paragraph of page 8; additionally, a minor clarification is needed on the June 25th meeting minutes from the Vice Chairman relating to a percentage of the excise tax (15% on 3% or 3% on 15%) according to Member Songsong's email message.

Chairwoman then motioned to adopt the following meeting minutes:

- May 4, 2021;
- May 5, 2021; and
- May 28, 2021.

...and was seconded by Treasurer Taisacan, and voted in favor of the motion by all commissioners, motion carried.

Chairwoman stated that meeting minutes that are pending adoption consideration are for the months of January 29, June 24, June 25, July 1, 2021, and mentioned the August 27, 2021 meeting minutes as having a missing portion of its audio recording.

VI. Public Comment

Chairwoman opened the floor for public comment. MD reported that there were no members of the public present for public comment. Chairwoman announced the same for the record.

VII. Old Business

a. Discussion and vote to amend § 180-10.1-610a1: Start-up Inventory specific to reporting requirements

Chairwoman mentioned the commission's discussion on this topic and a previous amendment to the start-up inventory reporting requirement regulations, and that the MD has made a recommendation for its reassessment, and then asked the MD to explain the concerns on this matter.

MD indicated that a certain section in the current regulation relating to the start-up inventory reporting requirement state that *"Between January 1, 2021 and January 1, 2022, a marijuana producer may receive immature marijuana plants and seeds from any source within the commonwealth for up to one year following initial licensure"*, and stated that technically, when looking at the timeline when the commission opened for the initial acceptance of applications on August 4, 2020, situations with the ongoing

pandemic, and figuring the best approach to vet application packages, time was not on the commission's side; and today, that regulation is no longer valid/expired and expressed that the CNMI cannabis industry is still in its infancy and slowly growing, and thus, recommended the following:

- Amend the regulations to extend the inventory reporting requirement date to the year 2023, or for an additional two years; or
- Consider striking-out the inventory reporting requirement in its entirety.

Vice Chairman commented that context wise, recalling back to the formulation of the original draft regulation, there was a large section about the Cannabis Tracking System (CTS), which was condensed, that had components of the requirements and interlinkages between the licensures and the CTS, and that the condensed CTS draft regulations was further condensed in which a lot of the provisions were taken out because the commission did not have a CTS; and expressed that it seems to be a similar situation here where the seed requirement and the identification of seeds may be a component of a CTS system that the commission does not have yet, and even if the commission were to maintain a CTS, it would be ideal and makes a lot of sense to have that be a component of the CTS product versus trying to replicate it.

MD expressed agreement with the Vice Chairman's comment and that by the commission not having a CTS, it is extraordinarily time consuming or almost an impossibility to manually input and compute data using excel spreadsheet to track and trace every single cannabis plant from seed to harvest and sale, and expressed uncertainty as to the solution of whether the start-up inventory reporting requirement should be extended, removed, or regulations amended specifying requirements until such time the commission acquires a CTS.

Chairwoman asked the MD that in the event the commission acquires a CTS, is the commission looking to re-implement the reporting requirement, but for now to delete that reporting requirement line item from the regulations as opposed to amending for the purpose of extending the date of the reporting requirement.

MD expressed that the language would serve the commission's operations well if it would require the reporting of the source of their cannabis seeds, cuttings, and plants; that it would be beneficial if a specific seed is tagged as how a CTS would be able to do, and suggested that specific language could be that the commission will not implement this reporting requirement standard until a CTS is operational within the commission; but the monthly reporting standards should not change in relation to what producers are required to report, and expressed that she would like to strengthen the reporting standards to

include additional information in regards to the actual number of plants are in possession at a time per month, the net weight and other information to help with the inventory side of things.

Chairwoman expressed that the commission would need to work on the language for a proposed regulatory amendment, unless it is decided that the start-up reporting requirement be deleted from the regulations, which would cause for necessary adjustments to the line items in that affected section of the regulations.

Vice Chairman expressed that the commission had similar language in the initial draft regulations of the Cannabis Tracking System (CTS) seed-to-sale similar to what the MD expressed in that when the commission has its CTS in place, it had all these things and in the end point it had this line that says, *“If the commission does have the necessary infrastructure or a CTS system at the time of application, this provision and requirement is not applicable to the licensee,”* this whole section was taken out; generally, we are talking about start-up inventory, and if we did not have that provision, then licensees would treat the seeds the same way as with plants in terms of tracking, we have that singular provision, which with or without it, when the commission does acquire a CTS system in place, licensees would have to refit and go through the RFID, or find some kind on tracking system; so there is this kind of example on what we originally had envisioned for exemption.

MD expressed that she thinks the issue is that there is a deadline that is being placed on something, the start-up inventory reporting requirement deadline, and we keep feeling that we need to extend that deadline, because of this one section in the regulations, and recommended that it could be removed entirely and revisited later once the commission acquires a CTS system and inserts the CTS regulation.

Chairwoman acknowledged the MD’s explanation and recommendation and said that the regulatory amendment on the start-up inventory reporting requirement date should then incorporate the inapplicability of this provision/requirement absent a CTS system as was articulated by the Vice Chairman, and asked the other commissioners if they felt the same way on that specific requirement.

Secretary voiced her agreement with the Chairwoman and MD’s recommendation; both Member Songsong and Treasurer Taisacan expressed in similar agreement as well.

Chairwoman expressed that the motion would then be that the start-up inventory reporting requirement would be repealed or no longer be required absent a Cannabis

Tracking System, and was followed by a brief discussion between the Chairwoman, Secretary, and MD.

Vice Chairman indicated that the ideal scenario is that a Cannabis Tracking System would govern the start-up inventory reporting requirement, which is where the commission wants to be; there is a section on CTS general requirements and recommended amend the regulation section 610 to rename it from start-up inventory to seed-to-sale CTS requirements, and leave it reserved and get rid of the contents; when the commission does acquire a CTS, the components of the start-up inventory reporting requirement would be fitted into that section of the CTS regulation.

Chairwoman asked the Vice Chairman if that certain line item or entire section of the current start-up inventory regulation be deleted. The Vice Chairman replied that the entire section would be deleted. Discussions followed on the intentions of the proposed regulatory amendments to the start-up inventory reporting requirements.

Chairwoman asked the MD if any of the current licensees are utilizing cannabis tracking systems.

MD replied that she is certain that they all do have some form of tracking system involved, licensed producers use logistics tracking, but is unsure if all licensed retailers use the CTS “Indica Online” as one of our licensee does to track sales to consumers; she will refer to Eric Basa of the commission’s permitting and licensing division to review licensees’ records if cannabis tracking systems were mentioned or in use, although it is not currently required that applicants report if they have CTS. MD expressed knowing that a few licensees have procured online cannabis tracking systems while others chose to go through the logistics route; in addition, licensees have inquired whether the commission has CTS so that they could also implement that in their operations, but they have also questioned affordability. MD mentioned that she will report back to the Chairwoman with concrete answers to that CTS question.

Chairwoman asked the MD about her current report if producers are reporting the number of immature plants or seeds they receive. MD replied that the only reporting requirement is mainly about sales and not about immature/mature plants, seeds, and net dry or wet weight, and expressed that she wanted to discuss this matter today in that beginning next month, she would like to add those additional reporting requirement but was not sure if it had to go through a resolution, an internal policy, etc., and said that she does not know how many immature plants producers have because it is not a reporting requirement, but it is something she would like to implement.

Discussions continued on the regulatory amendments to the start-up inventory reporting requirement, cannabis tracking system, and how it would affect the commission's administration of it.

Chairwoman acknowledged the issue at hand, the MD's recommendation, and opened the floor for any further discussion or motion to be made on the matter.

Vice Chairman then motioned to utilize/amend section 610 of the start-up inventory regulation as the location for the cannabis tracking system that would include the seed tracking, and to rename that section and leave the remainder of that section as reserved for subsequent regulation, which was seconded by the Chairwoman. All commissioners voted in favor of the motion, motion carried.

b. Discussion and vote to amend § 180-10.1-410a8: Licensee Prohibitions specific to product delivery by retailers

Chairwoman mentioned that an issue was raised about how the cannabis regulations was contradictory to Public Law 20-66 under "delivery" in which the law states that a retailer may deliver product, whereas the regulation did not; this proposed regulatory amendment is specifically being made so that it is consistent with the law, unless there are any objections or discussion points any of the commission members would like to discuss in which the Chairwoman opened the floor for discussion. No commission members offered any comment against the proposed regulatory amendment.

MD asked if the commission members received her email concerning an LSR relating to this topic and went on to say that it was a great response from the AAG/AG's office, and then expressed agreement with the Chairwoman and recommended for the amendment of the regulations as it contradicts the cannabis act.

Being that no commission members expressed opposition to the proposed regulatory amendment on the subject matter, Chairwoman motioned for the deletion out of the regulations: § 180-10.1- 410 (a)(8) that reads, "*Deliver marijuana to any consumer off the licensed premises except as permitted by [the provision regarding the delivery of marijuana items by retailers],*" to be consistent with CNMI Public Law 20-66, seconded by the Vice Chairman. All commissioners voted in favor of the motion, motion carried.

Vice Chairman suggested to the Chairwoman just to note that for future meetings, some of the contents of the LSR should be inserted in the agenda, e.g., the definition of a bona fide order, etc., and that a draft is being worked on for adoption about the process for deliveries.

AAG mentioned that LSRs are privileged so it could be discussed in executive session and does not have to be in the agenda just as long as it is put on record that it was discussed beforehand and after, and that if there are specific questions, it can be discussed in executive session.

Chairwoman, Vice Chairman, and AAG entered into a brief discussion clarifying LSRs as was talked about above. Chairwoman then proceeded to the next agenda item.

VIII. New Business

a. Discussion on Commission Budget for FY 2022-2023

Chairwoman emphasized that for this fiscal year, the commission was not allotted enough funds to fund commissioners' salaries up to September 2022, and expressed that the last budgeted amount for commissioner payroll would be the month of May 2022; she expressed the need to provide the commissioners advanced notice about the matter as she did not want anyone alarmed, and mentioned that a couple of options needs to be accomplished either through requesting the legislature for appropriation or requesting assistance from the executive branch to cover budgetary shortfalls; although funding was requested, it seems that as with all other departments, budget requests were reduced; the situation right now with the commission is that once funds are expended, the MUNIS halts payments, which is how that financial system is designed. The Chairwoman wanted to be transparent with the commissioners considering the situation the commission is experiencing and is unsure at this time if the movement of funds within commission is possible or is something the commission would want to engage since there are equipment, employee training, public outreach, and customer service that are necessary for the commission to properly administer the CNMI cannabis industry; she will update commission members as soon as information is received. Chairwoman then opened the floor to the MD to discuss the commission's operations budget.

MD shared the same sentiment as the Chairwoman and mentioned that she is working on requesting for funds and has engaged in conversations with the executive branch about the matter. MD explained reasons behind the commission's budgetary shortfall, which happened on or about January to February of the current fiscal year when there was a budget call sometime in February 2020; at that time, the commission was unaware that it was going to receive additional funding, the Office of Management and Budget (OMB) advised her to stick with the current budget that was allotted to the commission for the current fiscal year, which amounted to

approximately \$181,800.00 for the commissioners pay; a shift occurred when funding started to come in, then the actual budget was going to be implemented, and expressed that the OMB may have used the commission's previous expenditure sheet for the passage of the commission's budget and thinks that is where the shortfall occurred, which was approximately \$92,000.00 less.

MD displayed her budget narrative of approximately twelve pages and explained that every point described is required in the budget guidelines, which includes the commission's mission statement, where/how it started with Public Laws 20-66 and 21-05, which is reminiscent of the commission's citizen centric report; it also talks about the commissioners, the managing director, current organizational chart with room for expansion with the creation of divisions within the commission, operational and administrative structure, permitting and licensing, enforcement and investigations, and expansion to include a compliance and audit division or consultant or third party auditor, in addition to commission staff training seminars or online, the acquisition of a cannabis tracking system, etc., as she foresees more licensing of cannabis related businesses.

MD concluded with detailing the commission's specific needs, collaboration with the Department of Public Safety and other law enforcement agencies, addressing the needs of the Tinian and Rota satellite offices, including the Northern Islands, amendments to the cannabis act, Saipan zoning law, commission's revolving fund, commission activities, established cannabis businesses, amendments to regulations, establishment of the commission's office, assistance from the attorney general's office, and administrative matters.

Chairwoman thanked the MD for her overview of the commission's budgetary needs and mentioned that she wanted to ensure that there was discussion about this matter, and asked the commission members if they had any questions or discussion on the matter. Hearing no comments from the commissioners, Chairwoman moved on to the next agenda item.

b. Discussion on Internal commission zoning procedures for Rota and Tinian commercial applicants

Chairwoman mentioned that she included this item in the agenda as she wanted to ensure that it is discussed and addressed being that Rota and Tinian has not implemented its zoning authority, which necessitates the need for an internal commission policy to ensure the public/community on those islands are made aware of any commercial cannabis establishment and activity.

Chairwoman stated that she supports the MD and her staff's idea in establishing internal procedures to address public awareness for those islands, and expressed the need to seek specific recommendations from the Tinian and Rota commissioners on this matter.

MD stated that she will also seek information and recommendations from the Tinian and Rota commissioners since she is unfamiliar with any zoning policies on those islands, and shared that they are not trying to implement on Tinian and Rota what the Saipan zoning authority does, but rather to afford public opportunity to be aware, understand, comment, and provide recommendations.

Secretary Hofschneider expressed that Tinian shouldn't have anything different than how it is being done in Saipan as far as posting notifications, having proximity restrictions with schools, churches, etc., and having public notices, especially with cannabis establishments in designated residential areas; and that it is also important to ensure that if it is something contentious, that it is clearly stated what we can do as far as taking public comments into consideration and when we still approve a license even when there are public comments that are not in support of cannabis licensing; there needs to be transparency in what that process would look like and what the commission's authority is, because she does not want to have people submitting comments not in support of cannabis licensing and the commission not having any real reason to deny licensing, and wants to make sure that is it clear what the commission's role is and what that process would look like in addressing complaints, and if the applicant can mitigate those issues that may be raised by the public and then proceed from there, and expressed that it could also not be an internal process, but regulatory in nature. MD acknowledged.

Chairwoman asked Member Songsong if he had any thoughts about the matter. Member Songsong replied that he had previously mentioned the importance of public notices for public awareness on what could take place on the island granted that there are people against marijuana who may not want any cannabis establishment in close proximity to their homes or in residential areas; and as the Secretary pointed out, for example, just because fifteen members of the community say they do not want a cannabis retail establishment in close proximity to their homes or in residential area, does that mean the commission would deny that applicant, so there is that contention to deal with and how the commission would approach it; he expressed that public notices would be the first step for him and making aware the offices of the municipal council and mayor of any proposed cannabis establishments and take it from there,

and that he is eager to see the MD's work on its internal procedures to address this matter.

Chairwoman expressed that good points were raised by both the Tinian and Rota commissioners and exemplified the Saipan zoning requirement in that its board takes into consideration on whether or not it is against the law, and that if it is against the law, it is automatically denied, if it is not, it is approved; however, absent a zoning law in Tinian and Rota, it does present an issue with how would the commission deny or approve a particular applicant's application, because there could be many complaints against it; the commission does not want to be counterproductive in a sense where if there is always a complaint against a cannabis establishment, it would not be entertained, because that hinders the growth of the cannabis industry within Tinian and Rota. Chairwoman expressed that there may be some problems with implementing such an internal policy, but it is worthwhile knowing that it is being discussed and solutions are being sought, including taking into consideration the opinions of the mayor, municipal council, and other agencies; the commission's intentions are good in that we want to afford the community the chance to comment and to be heard, and that it is prudent that the commission does that, to provide some kind of avenue for the community to voice their opinion, but there is that fine line to deal with, which calls for a thoughtful process.

Secretary exemplified the processes in British Columbia, Canada, in the case where there is no local government that does zoning, public input, research, etc., the general manager (of the alcohol and cannabis control board) has the authority to require the applicant to post signage for thirty days that indicates exactly what is being applied for, which allows the public ample time to submit letters of support or concerns, and that there are regulations that support the general manager making a final decision; it's an intricate process that is also based on the population that surrounds the proposed area and how many are in favor or in opposition, including other detailed specifications and a summarization that is developed by the general manager; it is a great process because it shows that public sentiment and certain issues are taken into consideration, it is a clear process on how a decision is made, and expressed having ideas on how that could look, but the commission would have to ensure that it has that authority to make those decisions and also allow the applicant the option to mitigate any concerns and take appropriate measures that eliminates any issue that is reasonable to the commission.

Vice Chairman added that in the findings of Public Law 20-66, it was the intention of the legislature to provide for the municipalities to have a role, the quote is, "*This Act further allows for local municipalities to decide for themselves how they wish to*

regulate non-medical marijuana businesses through zoning and local laws that describe time, place, and manner regulations,” and that follows through into section 53059, where there is the authority of the local delegations, and so if the commission develops a structure and something that works, that maybe an opportunity to talk to the Rota and Tinian legislative delegations to see what their thoughts are on where they want to be, and they have the ability to do a public hearing, and that is the envisioned role in the original passage of Public Law 20-66 to talk about these things through that channel.

Chairwoman indicated that these are things to think about and that the commission is discussing this process, keeping in mind the upcoming policies that will be up for debate, what the commission is trying to implement, and that the commission should start engaging in these conversations realizing also that there is currently no influx of applicants from Tinian and Rota, but it is always important to be proactive, which is what the commission is trying to work on to see what those policies should look like in the event that commercial applicants start coming forward.

Chairwoman inquired with Member Songsong about certain interests for commercial licenses on Rota that was mentioned previously. Member Songsong replied that that was the so-called Singaporeans through their local Rota representative who did not show up.

Chairwoman then asked the Secretary how it is looking for Tinian as far as interest in commercial cannabis businesses. Secretary indicated that there is interest, however, there is that topic of concern that the commission discussed relating to the inter-island transport of marijuana that is causing investment hesitancy when that option is not available; additionally, as with the MD’s plans to go to Tinian and Rota to provide for educational outreach, once that is done, there may be more interests, people may start conversing on different ideas and how to comply without having to do the inter-island transport; as of right now based on her conversation with people, it is a tough one being that the inter-island transport of marijuana is the topic being discussed.

Chairwoman asked the commission members if there were any questions or need for further discussion. Hearing no comments, Chairwoman motioned to move into executive session to discuss the LSR on inter-island transport as well as other legal matters, seconded by Treasurer Taisacan. All commissioners voted in favor of the motion, motion carried.

Chairwoman stated for the record that the commission entered into executive session at 12:25 p.m.

IX. Executive Session

a. Legal matters – AAG

1. LSR Re: Inter-island transport

Chairwoman stated that discussions involved the topic of inter-island transport of marijuana, a certain land dispute relating to a certain applicant, clarification on official owner(s) of the private land in question and lot number description, as well as a brief discussion on a bona fide order.

2. Other legal matters

X. Managing Director's Report

MD shared her folder screen previewing the list of cannabis applicants detailing current standings in the application process, and explained the differing aspects of the applicants and her engagement in assisting these applicants through the processes, e.g., zoning, public hearings, and move towards licensing. MD went on to say that by March 2022, there may be an applicant ready for the board members' consideration to approve or deny licensure, and that one applicant (CanaMarianas) withdrew its producer application for reasons it determined would be economically unviable for them to engage in at this time other than maintaining their current cannabis retail license.

MD moved on to update the commission members on its proposed amendments to the cannabis act in which she attended the legislative committee hearing to discuss the proposed amendments. MD expressed that he hoped the committee would have voted to move forward with the proposed amendments at that time, unfortunately, it was indicated that they needed more time to discuss one particular section of the proposed amendments relating to the commission's regulatory revolving fund; they, as in the cannabis, commerce, and tourism committee of the House of Representatives wanted to know specifically what are the commission's projections, what is the current status of the cannabis industry, and requested for a presentation of these. MD indicated that she will conduct the presentation to the legislative committee on March 8, 2022 at 10:30 a.m. at the house chamber and that all the commissioners' presence was requested by the committee, and continued an explanation of what her thorough presentation will entail, e.g., current licenses, pending applications, business gross revenue tax information, job titles and jobs created by licensees, and other information, which will be provided to the commission members prior to presentation.

MD moved on to inquire if a resolution was required or necessary in order to add additional reporting requirements from licensed producers such as wet weight, dry

weight, and the number of immature and mature marijuana plants for the month, an additional four reporting requirements for producers to report monthly; she explained previously that current producer reports only report sales to retail licensees and the types of marijuana products, and is now seeking clarification on whether she could add additional reporting requirements in her capacity, or through resolution or regulation.

Vice Chairman expressed that he sees it within the MD's authority to ask for information or additional information. MD acknowledged and stated that she will be requesting for the additional information mentioned earlier moving forward. Vice Chairman stated that he is unsure, however, what the other commissioners' thoughts are on the matter.

Chairwoman expressed that in previous meetings, the commission discussed ways to strengthen the commission's enforcement authority and may have looked towards a certain regulation for requesting additional information; however, understanding that the MD is allowed to request for information and not necessarily having it being regulatory, wanted to know how would that process look like when requesting for additional information and when a licensee responds that it is not a regulatory requirement; and then asked the MD if that is something she foresees as a potential issue since that was raised in previous discussions, just to get the MD's thoughts on the matter, unless the MD wants to proceed with requesting for additional information and when that situation occurs, it would be addressed then.

MD expressed that she is notifying the commission members about this matter and her interest in acquiring additional information from licensed producers, and if the commission members would like this included in the regulations or develop a resolution, it could proceed with any of those action, but that she will proceed with requesting for additional information since there are certain parts in the regulations that does allow for that action or require licensees to maintain those types of information; in the specific reporting requirements of the regulations, it does not list those additional information as a monthly reporting requirement; so the commission does have that authority to ask for additional information, but as a courtesy to the commission members, she is giving notice of her intended actions, and if the commission members would like to list those additional reporting requirements or have that clarified in the regulations, she supports that move as well.

Vice Chairman mentioned that there provisions for record keeping requirements. MD acknowledged and read out verbatim the specific part of the regulations as, *“Every producer shall keep a complete and accurate record of all sales of marijuana flowers, marijuana leaves, and immature plants, and a complete and accurate record of the*

number of ounces of marijuana flowers produced, number of ounces of marijuana leaves produced, and number of immature marijuana plants produced and dates of production.”

MD continued to explain that current monthly reporting requirements only lists what is currently required, and that licensed producers have or should have this record of information and intends to request for additional information for monthly reporting as a requirement beginning by the end of March 2022. Chairwoman acknowledged the MD’s intention.

MD moved on to say that cannabis taxation is being implemented; the official cannabis tax filing form is present in the CNMI Department of Finance’s website and that tax form is included in her shared folder for the commission members’ review. MD shared that she inquired with the finance office’s taxation division if they routed a memorandum or had a press release about it, because she was not aware of it until her discovery through the finance’s website, which they did not; apparently, the cannabis tax form was available since November or December 2021, but it is indicated that it is “effective January 2022.”

MD mentioned that this cannabis tax information/form availability was reported to all cannabis licensees, and that she will communicate with the finance department for the collection of business gross revenue tax information for a holistic view of revenues generated.

MD concluded her report that enforcement training events will commence and has been scheduled for March 17 - 18, 2022 for the Department of Public Safety (DPS) front-liners training with approximately fifteen to twenty participants per training session, and the proposed venue would be a the Northern Marianas College campus; she is also working on scheduling another training event for March 21 – 22, 2022 depending on the availability of DPS participants; in addition, she has reached out to the Divisions of Customs to initiate training dates for their enforcement officers, and that enforcement training on Tinian and Rota is being planned in for following months.

Chairwoman thanked the MD for her report, engaging in the enforcement training, and providing public education and outreach.

Chairwoman raised Member Songsong’s sharing of information relating to the Northern Marianas College’s Cooperative Research, Extension and Education Services’ (CREES) planned workshop on the types of pesticides allowable for use on hemp, and asked Member Songsong if he could share that communication with CREES in terms of offering that opportunity for licensees and anyone that may be interested in that training.

Member Songsong thank the Chairwoman and said referring back to the MD's request for additional information from licensed producers, he hopes that the MD has it as part of her request for additional information, the furnishing of information on the types of pesticides being used or planned for use in the cannabis production.

Member Songsong then moved on to his communication with Dr. Verma, crop scientist of CREES' agriculture production program, on natural pesticides that was discussed that are considered safe for use cannabis hemp plants, specifically the hemp plants processed for cannabidiol CBD extractions, and not necessarily on cannabis hemp for textiles, which is similar in structure with the THC marijuana plants.

Member Songsong indicated that Dr. Verma had planned a training workshop on natural pesticides, but a date was unspecified, and that in the event that CREES proceeds with its planned workshop, a CREES workshop training notice pamphlet is always produced for public notice, which will be provided to the MD for dissemination to licensed producers for their consideration and training opportunity. MD acknowledged.

Chairwoman thanked Member Songsong and opened the floor to other commissioners to share any other information or continue discussion. Hearing no question/discussion, Chairwoman moved on to the next agenda item.

XI. Miscellaneous Remarks

Chairwoman stated that the commission's next schedule meeting is set for Friday, March 25, 2022 at 10:30 a.m., and should there be a need for a special meeting, the commission will set a date accordingly.

XII. Adjournment

Chairwoman motioned for meeting adjournment, seconded by Treasurer Taisacan. All commissioners voted in favor of the motion, motion carried. Meeting adjourned at 1:13 p.m.