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Governor

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Lieutenant Governor

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, February 27, 2020, at 10:30 A.M.** at the office of the Commonwealth Casino Commission Conference Room at the Springs Plaza on Middle Road.

**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. Continue Discussion on Commercial Regulations
  2. Review drafts for Homegrown and Commercial Applications and related forms
- VII. New Business
  1. Special Advisor's Report
  2. Director's Report
- VIII. Adjournment

Copies of this notice and agenda have been posted at the Administration Building Entrance Hall, House of Representative Entrance Hall, Senate Entrance Hall and the CNMI Casino Commission Office.

Written comments on the agenda may be submitted to the CNMI Cannabis Commission, through the Office of the Governor, on or before the meeting date. Oral testimony may be presented during the meeting on Thursday, February 27, 2020.

## **CNMI Cannabis Commission**

### **Regular Session Meeting Minutes February 27, 2020**

#### **I. A**

The CNMI Cannabis Commission was called to order by Chairwoman Nadine Deleon Guerrero at 10:46 a.m. on February 27, 2020, in the Commonwealth Casino Commission Conference Room, Saipan.

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

Nadine Deleon Guerrero, Commissioner representing Saipan  
Matthew Deleon Guerrero, Commissioner representing Saipan  
Valentino Taisakan Jr., Commissioner representing Northern Islands  
Journie Hofschneider, Commissioner representing Tinian  
Thomas Songsong, Commissioner representing Rota

Joseph Deleon Guerrero, Special Advisor (SA) on Cannabis Industry for the Office of the Governor

Monique B. Sablan, Managing Director

Alexis Hofschneider, Senate Legislation Assistant

#### **III. Consideration and Adoption of Agenda**

- Vice Chairman made a motion to amend the agenda to leave an opportunity in the meeting for House legal counsel, John Cool, to attend the meeting. Secretary seconded. Discussion: when he arrives, move to him due to his time restraints. All members were in favor, motion carried.
- Vice Chairman made a motion to add a standing Executive Session to the Commission's agenda. Secretary seconded. No discussion, all members were in favor; motion carried.
- Chairwoman made a motion to add a discussion regarding the Commission's website; Vice Chairman seconded. No discussion, all members voted in favor; motion carried.

#### **IV. Consideration and Adoption of Minutes of Prior Meeting**

- Secretary made a motion to approve January 22nd minutes; treasurer seconded. No discussion, members voted in favor, motioned carried.
- Secretary made a motion to table January 30th and February 6th minutes to the following meeting. Chairwoman seconded it. No discussion. All Members voted in favor of the motion.

#### **V. Public Comment**

- MD verified that there were no members of the public present; therefore, no public comments were made to the Commission.

#### **VI. Old Business**

##### **1. Continue discussion on Homegrown and Commercial regulations**

Vice Chairman continued to go over the regulation packages and included a recap of the feedback received from AG regarding:

- the regulation packages sent over. In discussion today is the streamlined version from the section “Application Processes” to barebones on “All Licenses” except for laboratory licenses, medical marijuana, edible endorsements and cannabis research certificates. Feedback received included a lack of code of ethics on the regulation that was submitted (now included as well as the bylaws, amended from AG feedback).
- SA brought up that we do not have a maximum THC package serving size but we do have a max for single serving size. He recommended we coincide these maximums and recommended we follow Oregon’s process. Vice Chairman felt this would be a good addition for “phase two” when we include laboratories.
- AG advised to add a line under General prohibitions, that says you cannot sell during elections.
- The term “marijuana items” should be looked at and potentially amended in law as AG provided Customs a legal opinion that “marijuana items” includes seeds.
  - **Chairwoman requested Keisha to see if it was a possibility to remove seeds from the definition.**
- Under section 200, added office hours and the Governor’s mailing address.
- Under section 301 Vice Chairman added a section to allow for the Cannabis Commission to collaborate with other government agencies in processing applications
- Under the fee section, we removed the option for proration for the time being as well as any reference to renewals at this time.
- Secretary raised the concern of the license issue date (in law, all expiring September 30 of each year) and agreed with Chairwoman that we would have to request this law to be changed in one of the first rounds of changes to have the duration of licenses be from the date they were issued to one year later.
- Vice Chairman advised that he needed to add to prohibitions that no one can sell a whole marijuana plant.
- SA raised the concern about the smell of marijuana travelling away from the premises and potentially to other establishments/buildings. Members discussed that this would be something considered by zoning as well as the distance requirement. Members agreed to revisit this concern if it becomes an issue in the future.
- Vice Chairman mentioned that we still do not have a definition for an approved zone for retail and lounge.
- Under section 600 (micro producers) Commissioner Songsong recommended to clarify that a licensee is permitted to have 25 mature plants at any given time.
- Members discussed waste disposal and leaving it as policy for flexibility and we can determine necessary changes after implementation.
- SA mentioned his discussion with John Cool: He stated that if the producers submit records, turn over to customs and they can determine the value for excise tax. Members agreed to require licensees to submit their documents on the 25<sup>th</sup> of each month. Vice Chairman recommended we have licensees submit it electronically. Members agreed with that idea.
- Under section 355 – Vice Chairman added a line that licenses may be limited and could change by way of resolution. Members discussed a standard approach/transparent process at which an applicant may be selected to be a licensee for a license that is limited. Secretary raised her concern about ensuring the process is transparent for any applicant that may not be successful. She also mentioned

BC's lottery process where applicants pay a set fee and enter the lottery to be selected to apply.

- Members discussed CUC and understanding how many licenses that use a lot of energy/power (e.g. Producer) would be able to operate at once based on CUC's infrastructure capacity. SA suggested this would be helpful information in order to determine whether we should cap licenses.
- Section 800 – regarding endorsements members agreed to leave it in; however, we would phase this option in, later.
- Vice Chairman added a reserve section to include reserve requirements in case of disaster; this would apply to all license types
- Retail: members discussed single transaction limits.
- Vice Chairman page 39 – change 24 ounces of marijuana to one ounce; strike “within one day” to “at any one transaction”
- Limit patrons to purchase 6 immature plants in a 90-day period. Retailers would be responsible to record these purchases.
- An application is not public information/open to OGA until license is issued; MD requested that Keisha look into if we are able to share commercial application information with Customs for example, after the license is issued.
- Secretary raised the question regarding applicant privacy and releasable information. Vice Chairman explained that the process is for the AG's office to review the request and would determine information that is releasable via OGA.
- SA recommended that we determine what would not be allowed for public disclosure and note it for amendment to the cannabis act. E.g. security plans should not be released
- Vice Chairman completed the overview of the packages and members agreed to adopt the regulations as amended for emergency promulgation; however, Keisha advised that we would have to recess to the following day because the topic was not included in the meeting's public notice.
- Vice Chairman provided MD direction on how to prepare the package for emergency promulgation and forwarded to Governor, Senate Committee, AG, etc.
- Chairwoman mentioned we need to meet with zoning.

## **2. Review drafts for Homegrown and Commercial applications and related form**

- Secretary advised that MD and she are meeting with ABTC to review their application process and summarized next steps.
- Commissioner Songsong requested to review the applications once they were ready to provide feedback based on his previous experience; Secretary assured him that the application forms will be circulated to the members once they were ready.

**RECESS** Chairwoman called recess at 1:12 pm

**IN SESSION** Chairwoman called the meeting back in session at 1:34 pm

## **NEW BUSINESS**

### **1. Special Advisor's Report**

- SA summarized his meeting with Senate President Hocog regarding the Commission not meeting with the Senate Committee when requested. SA assured the President that the Commission would attend future meetings.
- SA advised Women's Affairs may be moving out of their office space and it may be a possibility to share the space with them if not. Members agreed that this would not be a positive solution for the Commission.
- SA also met with NCRS and summarized his meeting.
- SA provided an update on the Homegrown Marijuana Registry Handbook and advised that he will hold off until he sees the homegrown application.
- Chairwoman asked if there was a section in the handbook about safe growing and asked Commissioner Songsong if he would be able to provide help with the content.

## **2. Managing Director's Report**

- MD provided an update on the budget (\$395,222 Feb to September); there is a 28% reduction to operational budget which means we are not able to hire licensing staff. All allotments go into the account to pay the Commissioners except for \$30,000.
- MD mentioned we cannot hire staff; however, we are working with other agencies to assist us.
- MD went over 2021 Budget and budget justifications.
- MD went over application revenue projections.

Keisha advised members that we have to hold a special meeting next week to vote on two items simultaneously: 1) emergency regulations 2) public comment

Members agreed to hold the meeting on March 5<sup>th</sup>.

## **3. Chairwoman gave members an update on the Commission's website.**

- Members agreed to personally contribute towards the cost of the website hosting.

Keisha recommended that members get familiar with executive session regulations. She advised that we could ask her questions in Executive Session.

**ADJOURNMENT** Chairwoman made a motion to adjourn the meeting at 2:41 pm; Secretary seconded, no discussion; all members agreed with the motion.