



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

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A meeting of the CNMI Cannabis Commission will be held on **Wednesday, May 5, 2021 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. Consideration and adoption of Agenda
- IV. Consideration and adoption of Minutes of prior meetings
- V. Public Comment
  
- VI. New Business
  1. **Cannabis Licensing Application No. C1220-0013-SPN:** Saipan Select, LLC's application for a Producer Class III license; discussion and decision: approval/denial
  2. **Cannabis Licensing Application No. C1220-0015-SPN:** Saipan Select, LLC's application for a Retailer license; discussion and decision: approval/denial
  3. Transition of Acting Managing Director Janina Maratita back to Managing Director Monique B. Sablan
  4. Discussion and Voting to amend 180-10.1-610: Start-up Inventory
  5. Discussion and Voting of approval process of commercial applications
  6. Discussion and Voting of Cannabis Licensee T-Marianas inquiry re: processor license endorsement / ability to use cannabis byproducts
  7. Temporary transition of meeting minute duties from Secretary Hofschneider to Commissioner Songsong
  
- VII. Executive Session
  1. Outstanding LSRs – AAG
  2. Other legal matters – AAG
  
- VIII. Managing Director's Report
  
- IX. Adjournment

Copies of this notice and agenda have been posted at the Administration Building Entrance Hall, the House of Representatives Entrance Hall, the Senate Entrance Hall, the Office of the Commonwealth Casino Commission and the CNMICC official website.

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 Wednesday, May 5, 2021.

**CNMI Cannabis Commission**  
**Regular Session Meeting Minutes**  
**May 05, 2021**

**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 at Ascencion Ct., Bldg. 1341, 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;

Treasurer Valentino Taisacan, representing Northern Islands, was present;

Member Thomas Songsong, representing Rota, was present (telephonically).

Chairwoman confirmed quorum with all five members present.

Managing Director Monique Sablan, Ms. Janina Maratita (acting managing director), and AAG Keisha Blaise were also present in this meeting.

**III. Consideration and adoption of Agenda**

Chairwoman asked if there were any discussion on the agenda, or motion to adopt or amend; Vice Chairman motioned to adopt agenda, seconded by Secretary; Chairwoman approved the adoption of the agenda as is, motion carried.

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

Chairwoman mentioned that the September 18, 2020 meeting minutes is up for adoption and asked if there was any discussion on it; hearing no discussion, Chairwoman motioned for its adoption, seconded by Treasurer; all commissioners voted in favor for its adoption, motion carried.

Chairwoman raised the question about the pending August 7, 2020 meeting minutes, Secretary suggested its tabling to the commission's next meeting; Chairwoman motioned the tabling of the August 7<sup>th</sup> minutes to the next meeting, seconded by Treasurer; all commissioner's voted in favor of its tabling, motion carried.

**V. Public Comment**

Chairwoman opened the floor for public comment and announced the presence of Saipan Select, LLC's representatives, introduced the commission members, staff and AAG, and offered them the floor if they wish to make any public comment.

Scott representing Saipan Select, LLC, briefly commented that they are very excited to get moving forward. Chairwoman thanked them for their presence.

There were no other members of the public present for public comment; Chairwoman moved to the next agenda item.

## **VI. New Business**

### **1. Cannabis Licensing Application No. C1220-0013-SPN: Saipan Select, LLC's application for a Producer Class III license; discussion and decision: approval/denial**

Chairwoman asked Acting Managing Director Janina Maratita ("Janina") to present Saipan Select, LLC's ("Saipan Select") application update and recommendation.

Janina reported similar briefings made during yesterday's (May 04, 2021) commission meeting with application and documentation completeness, raised concerns over her findings during a site inspection of Saipan Select's proposed Producer Class III premises, and recommendation for its license approval with conditions as a result of her inspection findings.

Vice Chairman asked Janina to present her inspection findings that formed the basis of her approval recommendation with conditions.

Janina proceeded that the commission was provided a complete packet of Saipan Select's application, documents and inspection findings; with respect to her inspection findings at its proposed Retailer premises, there were no issues, thus, recommended approval for its Retailer license.

Janina continued, as for Saipan Select's proposed Producer Class III premises, her site inspection revealed that indoor marijuana cultivation activity had already taken place without a license, which is a violation of statute and regulations; as a result, she not only recommended approval of Saipan Select's Producer Class III license, but also recommended that conditions be imposed restricting marijuana product sales for a period of three (3) months or ninety (90) days from the date their Producer Class III license is issued.

*[An estimated period of 8 weeks or 2 months of indoor cultivation activity took place based on Saipan Select's admission that the plants have completed its vegetative cycle (8 week period), and that light hours are ready to be switched (12 hrs. of light / 12 hrs. of darkness) to trigger/begin its 8-week flowering cycle.]*

Vice Chairman sought everyone's understanding that this is a new experience (the violation) and process (a resolution) for all involved, and considering the guidance and direction given the commission, the commission walks through with its clients to come to compliance before licensure, to determine if there are any errors or issues that need to be corrected.

Vice Chairman cited current CNMI cannabis law 4 CMC 53005 § (qq) defining producing as manufacturing, planting, cultivation, growing, or harvesting of marijuana, and 4 CMC 53022 of the same law stipulating that the production of marijuana is subject to the regulation of the commission, and that the marijuana producer must have a marijuana production license for the premises in which the marijuana is produced.

Vice Chairman referred to the approval-in-principal letter of February 5, 2020 issued to Saipan Select that indicated does not allow the applicant to commence operations on the proposed business establishment until the applicant has been issued an official cannabis license; and that the official cannabis license under regulations § 180-10.1-601 (Privileges; Prohibitions) says that the producer, after receiving a license, is authorized to plant, cultivate, grow, harvest and dry marijuana consistent with this section of the law.

Vice Chairman stated that there are reasons for this and the law is clear; based on the acting managing director's recommendation, there should be consideration for the origins of this process and the collaboration of working it through, but there should also be a culture of compliance put into place in which there are ramifications for, which have to be reasonable. Vice Chairman concluded that would be his consideration based on this process.

Janina reiterated Saipan Select's application completeness, ambiguities with regulations, reasoning as to not deny its application for a license, and recommendation for license approval with conditions.

Vice Chairman inserted that he hopes for all involved in this discussion that it is realized the position the commission is placed, and asked for collaboration in understanding that this is something the commission would like to do, and if the commission votes on the

conditions, this is something he feels that needs to be put in place for the system itself, to start building this out appropriately.

Scott responded by referring to his initial meeting with commission staff in which he stated that he clearly asked if they could put plants in place, and the answer was yes, but could not sell, and that it was discussed twice, so they went ahead with their cultivation with that understanding, and that they have a lot of money invested in that warehouse right now and went with the assumption that they were given the correct information.

Scott continued that he is not trying to throw anyone under the bus, but they directly asked that question (having plants in place) for that reason, so in fairness, we are the first ones, when we were ready to apply, we had to pre-order everything, we had everything coming in, we believed in the system, we believed it would work; right now the commission is talking about putting us out, and we just cannot continue with paying a \$6000 monthly utility bill, and we cannot continue to have employees if the commission wants to do that to us, it places us in a precarious position.

Vice Chairman appreciated Scott's response and asked Janina if she has communication records between both parties; Janina responded that she has email threads between them.

Chairwoman asked Janina if there were any communication about cultivation activity; Janina responded no, not in email, and that there may have been miscommunication between them. Scott apologized to Janina, not meaning to put her on the spot.

Vice Chairman expressed some issues relating back to what he previously mentioned, that the law is clear that marijuana cultivation is not authorized without a license, and that supersedes conversations; if it's a serious investment, the law should be held into account, and any communications should be in writing; there is a consideration with the application that is counter to the law, and the guidance provided really behooves everybody involved to have these conversations in writing; the commission are in part, part of this process and we do not know any of these conversations, what we know is the law and what is being provided to us and that is the basis of our decision.

Managing Director Monique Sablan ("MD") requested for the commission's seeking legal advice from the AAG under this circumstance and moving into executive session.

Chairwoman announced to Saipan Select's representatives that they would have to exit the meeting temporarily as the commission enters into executive session to discuss communications and correspondences between the commission and Saipan Select.

## **Executive Session: Discussions with AAG**

Chairwoman announced exiting executive session and stated that discussions involved steps proceeding forward with the approval or denial of Saipan Select's Application No. C1220-0013-SPN for a Producer Class III license, and the conditions to be placed after licensure. Saipan Select's representatives re-entered the meeting.

Chairwoman called the commission's meeting back to order from executive session, and motioned for the approval of cannabis licensing Application No. C1220-0013-SPN, Saipan Select's application for a Producer Class III license under the condition that the current applicant does not sell product until ninety (90) days after licensure.

Chairwoman mentioned that for clarity, this does not mean that Saipan Select cannot continue its cultivation, harvest or drying and storing, or anything involved with operations; this just strictly prohibits the sale of marijuana for a period of ninety (90) days after licensure.

Mr. Claudio Norita requested to speak, and then stated that there were obviously some form of miscommunication and apologized from their side with what's going on, and mentioned that they sometimes over read or under read things, and requested for the board's fairness and consideration for a reduction of the commission's recommended ninety (90) day restriction condition from selling marijuana to sixty (60) days.

Vice Chairman added that we all have different responsibilities and that we are all trying to combine here to make this work, and asked at what stage is Saipan Select with its marijuana plants today.

Scott responded that they are about eight (8) to nine (9) weeks from harvest; Mr. Norita added another two (2) weeks from there (possible drying and trimming time).

Chairwoman determined that the commission will stick with its initial motion and will move for a vote on the matter which will be writing, and that Saipan Select will have the opportunity to appeal if it chooses to appeal; Chairwoman continued that with the 8 – 9 week time frame to harvest, and an additional 2 week drying time period, it will take up close to the ninety (90) day condition stipulating no product sale.

Chairwoman opened the floor for further discussion of the issue and asked Saipan Select's understanding that the commission is working with them, noting the violation, by finding a middle ground based on the communications brought forth by Saipan Select.

Vice Chairman added that procedurally, if a process is structured out by which licenses are reviewed, the approval-in-principal gets one to a point where one can begin to make the investments on the premises so that it can be inspected; there are occasions in which a licensee may want to reconstruct an entire building, but they would not take that process if there was something serious or deficient within their initial application; it is just a process trying to help and the commission is trying to structure this in a way that does provide as much assistance as possible when getting to the end point, but there are restrictions that the commission has within that process; the commission would like to make it as seamless as possible, but again there are restrictions that the commission must conform its actions under, and so in the absence of looking into the objectivity of this scenario, if the law says that we cannot do one component to address, to recite just to get the record clear, the real sticking point that we are at is *4 CMC § 53005 which defines production as the manufacture, planting, cultivation, growing, and the harvesting of marijuana*, so the growing component is a process that has to be licensed, otherwise it would be in violation stated in the law; so how does the commission make a decision around this? How do we support the industry? Any action taken, he would be in favor of taking action that would be reasonable that is not the extent of what we would be able to do or are required to do, which is considerable, and recognizing that there is a need for clarity and compliance with the law that the commission is entrusted with; in discussing the conditions, three (3) months restriction on marijuana product sales, however, allowing two (2) months to cultivate to get it to a position where it is marketable, and one (1) month period of maintaining it without selling it seems reasonable.

Scott inquired, “So we are still with the ninety (90) days?” Chairwoman and Vice Chairman responded, “Yes, that is the motion.”

Chairwoman opened the floor to other commissioners if they have anything to say; hearing no other discussion, Chairwoman called to move into voting with the exception of Secretary Hofschneider since she was involved with the application review and site inspection process under the acting managing director.

Chairwoman asked Member Songsong if he heard her call for a vote of the commission’s motion; Member Songsong apologized for not clearly hearing (telephonically) and asked if Saipan Select’s representatives were present; Chairwoman responded “Yes.”

Member Songsong continued that he heard the commission’s imposing a ninety (90) day condition from date of licensure restricting marijuana product sales as a result of the violation noted during inspection, and that he also heard Saipan Select requesting for sixty (60) days condition. Chairwoman responded, “Correct, yes.”

Member Songsong continued that not clearly knowing [hearing] specific details and hearing Saipan Select's request for 60-day condition, he determined to support Saipan Select's 60-day request. Chairwoman acknowledged.

Chairwoman asked MD to call roll for voting; MD proceeded state that she will call roll for voting on cannabis licensing Application No. C1220-0013-SPN, Saipan Select's application for a Producer Class III license, with the condition that they are able to cultivate, harvest, dry, cure, etc., with the exception of marijuana sales for 90 days from date of licensure.

Vice Chairman interjected and suggested to MD that the commission should be voting on Saipan Select's conditions first (90-day or 60-day condition), followed by voting on its application.

MD acknowledged and restated for voting that *Saipan Select's application for a Producer Class III license, with the condition that they are able to cultivate, harvest, dry, cure, etc., with the exception of marijuana sales for 90 days from date of licensure.*

Vice Chairman requested Chairwoman for further discussion, and then asked Member Songsong that he would like to hear his opinion on his decision supporting a 60-day condition.

Member Songsong responded that he did not clearly hear the details as to why there is a condition being imposed for 90-days and assumed that it could have possibly involved cultivation activity that already took place without a license, and asked if that was the case. Vice Chairman and Chairwoman responded "Yes."

Member Songsong then asked at what stage are these plants. Scott of Saipan Select introduced himself and responded that they are at the end of its vegetative stage and just going into flowering.

Member Songsong continued to ask the commission how long from today's approval of Saipan Select's application will the license be issued; Vice Chairwoman responded that under the statute, all licenses expire on September 30<sup>th</sup>; Chairwoman responded that as soon as the commission votes on Saipan Select's license, it could be issued in the days to follow.

Member Songsong then asked Saipan Select if their flowering stage would take about eight (8) weeks, Scott acknowledged yes. Member Songsong then continued that understanding the conditions already mentioned, the unauthorized cultivation without a



license in violation of regulations/statute, and that notwithstanding these issues, he finds it reasonable to support Saipan Select's request for a 60-day condition instead of the 90-day condition being recommended by the commission, and advised Saipan Select that it not repeat violations and comply with cannabis regulations/statute. Chairwoman acknowledged.

Chairwoman placed the motion on the floor for voting on the 60-day condition as requested by Saipan Select, and asked MD to call roll for voting; MD called roll for voting on the 60-day condition as follows:

- Member Songsong voted yes;
- Treasurer Taisacan voted yes;
- Secretary Hofschneider was recused from voting;
- Vice Chairman Deleon Guerrero reiterated that he would really like to ask everybody present that it is important that it is understood that we are doing all we can to do both of these things, to uphold the law into account, create a culture of compliance, and to make sure that the industry works, then voted yes on the 60-day condition;
- Chairwoman Deleon Guerrero voted no, reiterating her stay with the commission's initial recommendation for a 90-day, which she determined reasonable, and apologized to Saipan Select stating the commission's expectation that all applicants are compliant with regulations and statute.

MD announced for the record that the commission had three (3) yes votes and one (1) no vote for imposing a 60-day condition.

MD then called roll to vote for the approval of Saipan Select's Application No. C1220-0013-SPN for a Producer Class III license as follows:

- Member Songsong voted yes;
- Treasurer Taisacan voted yes;
- Vice Chairman Deleon Guerrero voted yes;
- Chairwoman Deleon Guerrero voted yes;
- Secretary Hofschneider was recused from voting.

MD announced the commission's decision approving Saipan Select's Producer Class III application with the condition restricting marijuana sales for a period of 60-days after licensure, but able to continue to cultivate, harvest, dry and store its marijuana products.

Chairwoman moved to the next agenda item to vote on Saipan Select's Retailer license.

**2. Cannabis Licensing Application No. C1220-0015-SPN: Saipan Select, LLC's application for a Retailer license; discussion and decision: approval/denial**

Chairwoman requested the reporting of findings and recommendation on Saipan Select's application and inspection findings for a Retailer license.

Acting Managing Director Janina Maratita reported Saipan Select's application and documentation completeness, and passing inspection of its proposed retailer premises on April 15, 2021, and therefore, recommended approval of Saipan Select's Retailer license without conditions.

Chairwoman acknowledged and opened the floor for discussion; Member Songsong asked for clarification if Saipan Select was aware of the existence of CNMI cannabis public law as its Standard Operating Procedure referenced a cannabis house bill instead of public law, Saipan Select acknowledge yes.

Vice Chairman also clarified with Saipan Select that the condition of the producer sale include, because these are two separate licenses, any sale between a producer and retailer is a sale regardless of ownership, Saipan Select acknowledged yes.

Chairwoman motioned to vote for approval of Saipan Select, LLC's Application No. C1220-0015-SPN for a Retailer license, and asked MD to call roll for voting as follows:

- Member Songsong voted yes;
- Treasurer Taisacan voted yes;
- Vice Chairman Deleon Guerrero voted yes;
- Chairwoman Deleon Guerrero voted yes;
- Secretary Hofschneider was recused from voting.

MD announced for the record a unanimous yes vote for Saipan Select's Retailer license.

Chairwoman offered Saipan Select congratulatory remarks for being the first cannabis retailer and appreciated their partaking in the CNMI cannabis industry. Saipan Select thanked everyone for the support and introduced a recent arrival of one of their team members from Oregon who operated a cannabis farm/lab, then exited the meeting.

Discussions followed between commission members and staff relating to the unexpected outcome of the originally considered 90-day condition, and considered procedural practices in addressing future cannabis applications.

**RECESS:** Chairwoman called for recess at 12:07 p.m.; meeting was called back to order at 12:19 p.m.

### **3. Transition of Acting Managing Director Janina Maratita back to Managing Director Monique B. Sablan**

Chairwoman announced the transition from Janina back to Monique Sablan and welcomed the MD back to her role and assumption of her duties; Chairwoman thanked Janina for her service in assuming the duty as acting managing director during the MD's absence.

### **4. Discussion and Voting to amend 180-10.1-610: Start-up Inventory**

Chairwoman raised the question that she included this matter in the agenda to amend the start-up inventory reporting requirement because she noted the regulation online still cited the year 2021 (January), but subsequently recognized that the commission previously voted on this matter to amend that portion of the regulation extending the start-up inventory reporting requirement to the year 2022 (January).

MD stated that amendment has already been made, but is going through the Commonwealth Registry processes and appeared in April's registry, and is now going through the 90-day public comment period.

Vice Chairman raised some specific inconsistencies in the regulations which need to be thoroughly reviewed and corrected. Secretary raised examples involving changes in shareholders and clarity with the use of the words "deny" and "refuse" between the regulation and statute. AAG offered suggestions with forming committees to go over the regulations, address areas where the commission feels need amending, etc.

### **5. Discussion and Voting of approval process of commercial applications**

Chairwoman stated the striking-out of this agenda item as the commission had addressed this matter during yesterday's meeting.

### **6. Discussion and Voting of Cannabis Licensee T-Marianas inquiry re: processor license endorsement / ability to use cannabis byproducts**

Chairwoman stated that this was a question by an individual, which was to use cannabis byproducts to process using the ingredients, specifically allowed by law for the applicant who wishes to have a processor license, if that makes sense; his question was if he could use his cannabis waste in conjunction with the ingredients that were stated could be used in the law not requiring a lab, to be issued a processor license. Chairwoman thinks that the commission may endorse this request because he is not using ingredients outside of what is stipulated by law.

Chairwoman mentioned that Member Songsong emailed an excellent explanation and description of what the individual was asking, and asked Member Songsong if he could elaborate on the matter because it was described well.

Member Songsong explained that based on the individual's email, he wants to do two types of an all-natural solvent-less process:

- The first being the use of *kief* (cannabis flower's trichrome) in dried form that fall off cannabis flowers during the dry trimming process, which can be used in several ways, the first being hash by compressing kief in a heat press and formed into a block, brick, square or coin shaped circle; it can also be used to coat dried and trimmed ready to sell cannabis flower buds which is sold as moon rocks stateside , or it can also be sprinkled with pre-rolled joints or with flower buds packed in a bong bowl, or even sold as is, kief;
- The second process mentioned known as *rosin* is where dried and trimmed cannabis flower buds are compressed in a heat press, which then oozes out a waxy honey-like substance, and is used what as a dab or similar utilizing a bong bowl to burn, is concentrated, and absent the green organic marijuana flower material.

Chairwoman asked if the individual is trying to apply for a processor license; Secretary replied "no," he is a producer wanting to use leftover byproducts (kief) to form hash, in addition to rosin through compressed cannabis flower buds, which is in concentrated form, without the need of a processor license since it is an all-natural hand-made process derived directly from dry trimmed cannabis flowers.

Vice Chairman stated that in applying for a processor license, the commission needs to put together what it needs to look for in processor endorsements, and what the process is.

Secretary stated that the individual inquiring does not want to apply for a processor license, he just wants to be able do it under his producer license; Chairwoman stated that he would have to apply for a processor license; Secretary replied that was the question.

Vice Chairman brought up an earlier discussion on *dabs*, that is one form of processing; discussions continued on processing, processing types, the individual's processor inquiry, and cannabis drying not being considered as processing; Vice Chairman made an indication of two steps the individual would need to take, the processor license and also the need to amend his producer standard operating procedure to reflect processing and the processing process.

Chairwoman advised the Secretary that the individual may be informed that he can do the processing he mentioned, however, the commission considers that undertaking as processing, and therefore, he would have to apply for a processor license.

Discussion continued on cannabis waste products and disposal, the resale of cannabis waste products, concentrates, extracts, and suggestion for further inquiry into the individual's processing methodology for better understanding.

Vice Chairman reiterated the individual's processing plan using natural means without the use of chemicals as was explained by Member Songsong, that if we look at the (pp) on the regulations, the definition of processes "*is the compounding or conversion of marijuana, either directly or indirectly, from extraction of substances of natural origin or by means of chemical synthesis.*" So both natural and chemical extraction would be under the commission's definition of processing; the commission came to a unanimous consensus on the matter of processing.

Member Songsong related back to the matter of *kief*, and suggested its consideration in its original form or state as not processing requiring a processor license, being that it is a natural particle of cannabis flower that naturally falls off during the dry trimming process or shaken off, and that it does not make sense to be considered as processing, and exemplified state side flower buds coated in *kief* and sold as moon rocks.

The commission came to a consensus agreeing that *kief* in its natural form, not being converted into another form or converted from one product to another, would be permissible for sale not requiring a processor license and not identified as processing.

Chairwoman mentioned that *kief* in its natural form would need to be explicitly stated, and the Vice Chairman added that this is where processor endorsements are important.

**RECESS:** Vice Chairman called recess for a few minutes; Chairwoman called the meeting back in session at 12:58 p.m.

## **7. Temporary transition of meeting minute duties from Secretary Hofschneider to Commissioner Songsong**

Chairwoman stated that she had asked Member Songsong if he could assist with transcribing minutes because of Secretary Hofschneider's additional duties involving assisting the commission's sole employee (MD Sablan) in reviewing applications, conducting inspections, etc., in which Member Songsong graciously agreed.

Chairwoman mentioned that she and the Secretary received Member Songsong's first transcribed minutes of August 7, 2020 for review, however, she missed the opportunity to forward it to the other commissioners for review, therefore, it was not made available for adoption in this meeting, but it will be submitted in the next meeting for adoption; Chairwoman and Secretary thanked Member Songsong for taking on this duty.

Chairwoman announced the tabling of the outstanding LSRs to the next meeting and that there were no items for discussion under executive session, and that the commission is therefore moving on to the managing director's report.

## **VII. Executive Session**

- 1. Outstanding LSRs – AAG**
- 2. Other legal matters - AAG**

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

MD stated that she is currently transitioning back to her duties being updated by Janina, and that she has been revisiting past LSRs and was communicating with Janina on commission activities during her 4-month absence; she has been working at the governor's office this past week because most of the commission's documents/records are still there in which she processed new applications that Janina was unable to get into, and has communicated with three of those applicants and nearing completion. MD thanked the Secretary for assisting her with the application reviews.

MD continued that she contacted the treasury office for an update of the commission's funds account which derived from application and licensing fees, and will provide the commission a break down on those specific collections in the next meeting.

Chairwoman asked if there were any new homegrown registry applications; MD responded that three applications were processed, and that homegrown registry renewals are coming up, which expire one year from the date of license issuance.

MD stated that she would like to include in regular board meetings questions regarding certain policies because in reviewing applications, she noted some issues that she is unable to refer back to in the law or regulations, or issues the commission discussed in prior meetings but no decision were made; one of those issues relates to retailer discounts when cannabis products are nearing expiration and being offered to consumers at a discount.

Vice Chairman stated that the commission does not control pricing; Secretary added that the regulations state nothing on pricing or established any set pricing and exampled an established minimum pricing standard to stay competitive at her former employment in British Columbia (Canada).

Secretary added that an issue she's been envisioning relating to policy is, for example, the commission's resolution on business separations between two separate business types under the same roof as somewhat generalized and not specific enough, as in, for example, specifying allowance in the use of either one cashier or two separate cashiers, or cash registers for the two different businesses; she wanted the commission to be aware that client interests in selling additional non-cannabis related products is present and what it could look like, and that the commission has nothing outlined with specificity; the commission's current consideration is just based on business layouts and proposals, but the commission should start thinking about what it wants this industry to appear as.

Secretary continued, for example, in British Columbia with her former employer, they are restrictive in the sense that a cannabis retail store are only licensed to be a cannabis retail store and related products, and no other, as in not licensed to sell non-cannabis related products such as chips and dip, which is a totally separate business type; one of our retailer clients were having creative ideas with their future outlook, such as selling drinks, so we don't really want to create a change in a cannabis retail environment where customers begin to hang out at a cannabis retail store; there may be some people that might want to combine everything together, e.g., sell different products along with cannabis, there seems to be options in the CNMI as compared to other jurisdictions being specific and restrictive with product sales unrelated to cannabis, so this scenario should be considered, and policy, resolution or regulatory amendments setting specific standards.

Vice Chairman asked MD if there was anybody that will be receiving an approval-in-principal (AIP) any time. MD responded that we do have and will furnish the commission an update of those AIPs. Vice Chairman indicated that it's a question of how do we change the structure enough so that we can apply two different rules if somebody replicates this scenario mentioned by the Secretary, what the language would need to be, maybe adding something as "if operations commence without a license, for example in the case of a producer, the application will be denied." Secretary mentioned that language could be stipulated in the AIP, in addition to updating the application appendixes, and online appendixes.

MD stated that she'll work on updating the application and appendix templates for each license types and pass it through the AAG for review, in addition to working on pending applications that are still pending documents to complete their respective applications.

The issue of micro-producers was raised to ensure that these category of applicants are advised that a wholesaler licensee is required to purchase their product, thus, they should standby until a licensed wholesaler is available; discussions continued on approval letters, general application topics and licensing procedural processes, terms and conditions, and orders.

Chairwoman asked if there was any other discussion before she moves to adjourn.

## **IX. Adjournment**

Hearing no further discussion, Chairwoman motioned to adjourn meeting, seconded by Secretary; all commissioners voted in favor of meeting adjournment at 1:34 p.m.