RALPH DLG. TORRES Governor



ARNOLD I. PALACIOS 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 **Friday, September 18, 2020, at 10:30 A.M.** at the Office of the Commonwealth Cannabis Commission Conference Room located at Ascencion Ct., Building #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. Old Business

- 1. Discussion and Voting of repealing of CCC Resolution 2020-001
- 2. Adoption into regulation definition of "Lot" as it relates to commercial licenses

#### VII. New Business

- 1. Discussion on regulations governing cannabis laboratories and certifications
- 2. 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, on or before the meeting date. Oral testimony may be presented during the meeting on Friday, September 14, 2020.

# **CNMI** Cannabis Commission

# Regular Session Meeting Minutes September 18, 2020

## I.Call to Order

The CNMI Cannabis Commission was called to order by Chairwoman Nadine Deleon Guerrero at 10:41 a.m. on September 18, 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 Taisacan Jr., Commissioner representing Northern Islands Journie Hofschneider, Commissioner representing Tinian (attending online) Thomas Songsong, Commissioner representing Rota (attending online) Joseph Deleon Guerrero, Special Advisor (SA) on Cannabis Industry for the Office of the Governor Monique B. Sablan, Managing Director (MD) A/Attorney General, Keisha Blaise

## III. Consideration and Adoption of Agenda

• Chairwoman made a motion to add for discussion election of officers for voting next meeting; Vice Chair seconded; no discussion; motion carried - item added under new business.

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

• Secretary made a motion to adopt June 9, 2020 minutes and table all other minutes; Chairwoman seconded; no discussion; motion carried.

## V. Public Comment

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

## VI. Old Business

## 1. Discussion and Voting of repealing of CCC Resolution 2020-001

• Chairwoman discussed that all members agreed that it may be in the best interest at this to not limit the number of licenses to be issued; Chairwoman made the motion to repeal Resolution 2020-001; Treasurer seconded; Vice Chairman discussed rationale for originally including limitations in the emergency regulations and how it was prior to receiving applications. Members voted in favor of the motion; motion carried.

## 2. Adoption into regulation of "lot" as it relates to commercial licenses

 MD discussed applications that have been received that exist on the same lot. MD was seeking clarification from Members regarding the definition/interpretation of "lot". Vice Chairman commented that the provision was taken from Oregon as it relates to Producers; however, their designation was from tax lots. The Commission intended "lot" to meet the zoning definition of lot which is an area that is defined legally by metes and bounds and cannot be sub-divided. He mentioned as far as regulating goes that without clear boundaries, it would be difficult to regulate the different licenses (if all on the same lot), each with different licensing rules. Vice Chairman added that while we have removed the limitation on the numbers of license types issued, we may want to consider adding a limitation on the number of licenses held per licensee.

- Commissioner Songsong brought up a hypothetical scenario for discussion: a Homegrown Marijuana Registry (HMR) card holder (non-commercial) and a micro producer (commercial) on the same lot but with delineation. Members, SA and MD discussed this specific scenario and raised other examples to consider. Clarification was made that for example, 5 different individuals in one household can each hold a HMR card if the cultivation site is not at the same location (and must be approved by the Commission).
- MD raised a scenario: 3 producer licenses located adjacent to each other to the same licensee can they all use one drying room, for example? Vice Chairman clarified that product can be transferred between producers so this scenario would be permitted as long as it is tracked. SA added that having a CTS would be how we could track a scenario like this.
- Vice Chairman is drafting language to amend "lot" definition in regulations.
- Commissioner Songsong commented that a lot number is identified through legal approved and reported survey map (DNLR land registration map). Vice Chairman mentioned that this is separate from Saipan zoning.
- Vice Chairman asked Keisha about the process for legally define lots (divide property on their own without involving a surveyor) for the purposes of people with multiple licenses to distinguish between cultivation lot. Keisha said it would be best for the applicant obtain the lot map from DNLR, mark up the map to demonstrate to the Commission how they want to divide it (no surveying required). They can provide the lot map and separate the property for the purposes of the application.
- Secretary clarified that in a scenario with multiple license applicants on one lot, MD would review the land title/lease that would include the entirety of the property; however, the applicant would use the DNLR map to divide each premises for the purposes of licensing. Multiple ownership is prohibited within the same lot.
- Vice Chairman made a motion to amend § 180-10.1-335 Denial of Application (b) (4) to read: proposed license premises of a producer applicant is on the same cultivation lot as another producer licensee under common ownership (a): for the purposes of this section a cultivation lot is defined as a unit of land that can be described legally as metes and bounds. Chairwoman seconded; Discussion: members discussed how land is recorded in the CNMI and Vice Chairman clarified that this is for further clarification not a change to policy; all members voted in favor of the motion; motion carried.

## **RECESS** Chairwoman called recess at 11:57 p.m.

IN SESSION Chairwoman called the meeting back to session at 12:22 p.m.

#### VII. New Business

#### 1. Discussion on regulations governing cannabis laboratories and certifications

- Vice Chairman went over the draft regulations that has a section in the adopted regulations reserved under part 1400. He discussed that the laboratory regulating in other jurisdictions is incredibly comprehensive and flushed out and has a lot of different components that relate to medical laboratories as medical cannabis was implemented first. In Oregon, for example, laboratories must be accredited by the Department of Health. The accrediting includes coverage of substance abuse, testing, etc. Although the CNMI does not have an accrediting body for labs and no one in charge of regulating labs and so we will try and do work arounds.
- SA asked what would happen if someone applied without an accreditation. Vice Chairman stated they would only receive partial approval and would not get their license until they provide proof of accreditation. The applicant would have 6 months to submit this document.
- MD asked a question: Would applicants be mandated to go through the licensed laboratory? Chairwoman confirmed that licensees would be mandated to go through a lab or there would be not incentive for a laboratory to open in the CNMI. SA agreed and mentioned that we would need to eventually decide what a laboratory would need to test for and for each different license type i.e. pesticides, testing edibles (processor). Also, what labelling requirements would we have to demonstrate a product has been tested.
- SA mentioned that we would need to communicate with BECQ to identify allowable or prohibited pesticides labs would be responsible for testing to ensure these prohibited pesticides are not present in the product.
- Vice Chairman mentioned that the lab would need to be DEA approved as additional criteria.
- Chairwoman requested to table voting for adopting draft regulations for next meeting.
- Vice Chairman reviewed the draft regulations for part 1600 of the adopted regulations, reserved for marijuana research certificate.
- SA mentioned we should add a section that authorizes the Commission to request the outcome of the research conducted by the certificate holders and also suggested that peer (other certificate holders) review of research should not be prohibited. Vice Chairman suggested to add an agreement to share results as part of the application.
- Secretary is actively working on developing the laboratory and research certificate application.

## 2. Managing Director's Report

- Received a lot of inquiries about hemp and CBD. Reached out to DNLR to see if they have any information to provide. DNLR are still researching on how they will regulate.
- Homegrown Marijuana Registry applications received: 7 Saipan, 1 Rota, 1 Tinian; total issued: 8
- Commercial applications received: 3 producer class 3, 1 producer class 1, 1 wholesaler, 2 retail, 1 processor, 2 lounges.
- We have implemented the Approval in Principle (pre-approval) process where we issue a letter to the applicant that allows them to begin construction of their premises and essentially approves the application and the supporting documents in principle, subject to an on-site inspection and final review of the application and inspection results.
- MD asked Keisha if she can provide extensions (past the 10 day timeframe allowable by regulations). Keisha advised that it (allowing an extension) is all discretionary by the board.
- How confidential is commercial applications? Keisha advised for them to go through OGA.
- Met with applicants: 1 interested in a laboratory, 1 micro producer, 1 processor.
- MD was asked if we would approve cannabis vending machines and automated checkouts: Members all agreed not to permit this.
- MD provided Zoning house legislative bill draft to Chairman JP added a line for retroactive applicants.
- Rotary club has approached MD to provide a presentation regarding the Commission and licensing.
- DPS to train head officers on homegrown and recreational use marijuana
- Chairwoman provided an update on the Saipan office repairs \$6,500+ personal payment from Vice Chairman and Chairwoman for the repairs to the damaged roof, painting, and electrical issues.
- Chairwoman suggested we start a cannabis podcast to get information out to the public about applications processes, education, and license information.
- MD October 7, 2020 is the first public hearing for zoning of 3 cannabis producer applications.
- Keisha advised that if there are any questions for legal regarding the zoning bill, a LSR would have to be submitted to a different AAG because Keisha is representing both Zoning and the Commission.

## VIII. Adjournment

Chairwoman Nadine Deleon Guerrero made a motion to adjourn the meeting; Vice Chairman seconded; no discussion, all members voted in favor of adjourning; meeting adjourned at 1:15 pm.