

TWENTIETH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

SECOND REGULAR SESSION, 2017

S. B. No. 20-62, SD1

A BILL FOR AN ACT

To Regulate Cannabis in the Northern Mariana Islands; and for other purposes; and for other purposes.

**BE IT ENACTED BY THE TWENTIETH NORTHERN MARIANAS
COMMONWEALTH LEGISLATURE:**

1 **Section 1. Findings and Purpose.** The Legislature finds that 29 U.S. States,
2 including the island territory of Guam, have legalized marijuana for medical purposes
3 since 1996. Furthermore, 8 states, including the District of Columbia have legalized
4 marijuana for personal use since 2012. The number of states and territories that elected
5 to regulate marijuana in a manner similar to alcohol is expected to continue to grow as
6 public support for marijuana legalization, nationally, is currently around 60% and rising.

7 The Legislature further finds that states that have set up regulated markets for
8 marijuana with time, age, and place of sale restrictions, product testing, labeling, and
9 other precautions relative to providing a safe product for responsible adult consumers,
10 have observed real and significant benefits to public health, safety, and quality of life for
11 all residents. These benefits include; (1) Alternative treatment for pain and suffering for
12 those afflicted with debilitating illnesses, such as Post Traumatic Stress Disorder (PTSD),
13 Cancer, Epilepsy, and a host of other conditions, many of which are not effectively
14 treated with synthetic prescription medications. In this respect, marijuana has become a
15 life-saving and enhancing medical alternative; (2) A 25% reduction in accidental
16 overdoses, addiction, and abuse, as medical marijuana has provided a safer alternative to
17 far more harmful and dangerous prescription narcotics, providing evidence that
18 approving the responsible adult use of marijuana can combat the deadly opioid crisis
19 currently experienced in the United States. Furthermore, there is real evidence to suggest
20 that allowing for the adult use of marijuana will help to reduce the level of

1 methamphetamine (ICE) use and abuse in the CNMI; (3) Decreases in youth access to
2 marijuana and usage rates among the youth; (4) Decreases in violent crime as marijuana
3 is manufactured and sold in approved facilities by licensed businesses; (5) Decreases in
4 fatal car crashes as marijuana becomes a popular, and much safer, alternative to alcohol
5 and other recreational drugs; and (6) Substantial revenues generated by the growth,
6 processing, and sale of marijuana and hemp products, with the introduction of the legal
7 marijuana industry that has created over 100,000 new jobs, nationally, providing funding
8 for many government and social programs

9 The Legislature finds that according to the World Health Organization (WHO),
10 the CNM. has the second highest marijuana usage rates in the world, at 22.5%. In
11 essence, approximately 1 in 4 persons in the CNMI either grow or consume marijuana for
12 medical, agricultural, and personal purposes, despite the federal and local prohibition of
13 the plant. Meanwhile, reports of problems associated with marijuana use are close to
14 none. In 2015, Senate bill 19-06 was introduced to allow for the medical use of
15 marijuana, which received overwhelming support during public hearings for the bill. In
16 addition, many of the citizens who came forth to provide their testimony shared their
17 concern that due to the small number of citizens who would qualify for the medical use of
18 marijuana, a medical-only policy would not allow for the economy of scale that would
19 ensure a viable program that could support economically the production, manufacturing,
20 regulating, and retailing of marijuana products. The individuals with medical needs
21 highly recommended access to marijuana for therapy and medicinal use by way of simply
22 boiling the leaves or roots in hot water and to consume as tea. In essence, many CNMI
23 residents support a fully regulated market for the responsible adult use of marijuana,
24 which does not penalize the residents for using a substance that is far safer than alcohol.
25 Public feedback during the public hearing of SB 19-06 highly recommended marijuana
26 legislation that will decriminalize or allow for personal and commercial use, and for a
27 hemp industry.

28 Therefore, the Legislature finds that it is in our best interest to move marijuana
29 into a regulated and controlled market for responsible adult personal use, allowing for the

1 creation of jobs and the capturing of a new revenue stream that can be used to fund public
2 safety programs, public school infrastructure and programs, supporting the retirement
3 fund, and other government and social programs, such as drug abuse treatment;
4 furthermore, providing an effective alternative medicine for those suffering from medical
5 conditions; and allowing for the development of an industrial hemp industry here in the
6 CNMI. In this respect, this Act encompasses the recognized best management practices
7 employed by other states and territories to control, regulate marijuana and industrial
8 hemp, for responsible adults. This Act complies with the federal guidelines concerning
9 marijuana enforcement that were developed by the U.S. Department of Justice in 2014.
10 Furthermore, this Act has been adapted to meet local needs and conditions with input
11 from medical professionals, law enforcement, patients, growers, advocates, and others
12 who participated in public hearings and committee meetings. This Act further allows for
13 local municipalities to decide for themselves how they wish to regulate non-medical
14 marijuana businesses through zoning and local laws that describe time, place, and manner
15 regulations. This Act is intended to authorize the regulation and control of marijuana for
16 responsible adults twenty-one years and older, to improve public safety and the quality of
17 life – health, education and welfare- for all CNMI residents.

18 **Section 2. Amendment.** Subject to codification by the CNMI Law Revision
19 Commission, Title 4, Division 5 of the Commonwealth Code is amended by adding a
20 new Chapter 20 to read as follows:

21 **“CHAPTER 20. CANNABIS REGULATION.**

22 **Section 101. Short Title.** This Act may be cited as the “CNMI Cannabis Act of
23 2018.”

24 **Section 102. Approval by the Voters.**

25 (a) This Act shall not become law upon its passage. Instead, this Act shall be
26 placed on the ballot as a ballot measure to be voted for in the next Commonwealth
27 election as a legislatively referred Commonwealth statute. Upon approval of this statute
28 as a ballot measure, the following question will appear on the ballot as representing this
29 act: “Should the Commonwealth legalize and regulate marijuana by approving the CNMI

1 Cannabis Act of 2018?” Upon approval of this act by a simple majority of the voters in
2 any of the senatorial districts in the election, this act will immediately become law.
3 Provided, that this Act shall not be applicable in the senatorial district where this Act was
4 not approved by a simple majority of the voters in that senatorial district.

5 (b) Furthermore, upon this act becoming law, the Legislature is authorized to
6 create additional “governing regulations and controlling laws” deemed necessary and
7 proper for the Government to regulate, amend or impose new fees, penalties and/or taxes,
8 control and enforce the personal use, medicinal use, commercial cultivation, processing
9 and sales of marijuana and marijuana products with governance over the public and
10 private sector. Provided, however, that the creation of any additional governing
11 regulations and controlling laws SHALL NOT in any way contravene or substantially
12 change the intent of the Act as enacted by the will of the people of the CNMI that
13 approved this Act.

14 (c) If this Act is not approved by a simple majority of the voters of the Third
15 Senatorial District but approved by a simple majority of the voters in the First and/or
16 Second Senatorial District, the First and/or Second Local Legislative Delegations are
17 authorized to enact local legislation to regulate cannabis in their respective senatorial
18 district subject to the provisions of this Act. Provided, that the local legislative
19 delegations shall establish an advisory Cannabis Board at the Department of Commerce
20 Rota and/or the Department of Commerce Tinian, respectively, to assist in the regulation
21 of cannabis in the First and/or Second Senatorial District. If this Act is disapproved by a
22 simple majority of the voters in all three senatorial districts respectively, this Act will be
23 void and shall not become law.

24 **Section 103. Purposes.**

25 (a) The Legislature declares that the purposes of this Act are:

26 (1) To create the Cannabis Commission;

27 (2) To allow the personal, medicinal, and commercial use of marijuana in
28 the CNMI provided that such activity occurs pursuant to this chapter or pursuant
29 to the laws of a Senatorial District;

1 (3) To create Hemp Industries for the CNMI;

2 (4) To eliminate the problems caused by the prohibition and uncontrolled
3 manufacture, delivery, and possession of marijuana within this Commonwealth;

4 (5) To protect the safety, welfare, health, and peace of the people of this
5 Commonwealth by prioritizing the Commonwealth's limited law enforcement
6 resources in the most effective, consistent, and rational way;

7 (6) To permit persons licensed, controlled, and regulated by the
8 Commonwealth to legally manufacture and sell marijuana to persons 21 years of
9 age and older, subject to the provisions of this Act;

10 (7) To permit doctors and their patients to make decisions about the use of
11 medicinal marijuana without undue governmental interference;

12 (8) To establish a comprehensive regulatory framework concerning
13 marijuana under existing Commonwealth law;

14 (9) In the interest of enacting rational policies for the treatment of all
15 variations of the cannabis plant, the Legislature further finds and declares that
16 hemp should be regulated separately from strains of cannabis with higher delta-9
17 tetrahydrocannabinol (THC) concentrations of 0.3%.

18 (10) The Legislature further finds and declares that it is necessary to
19 ensure consistency and fairness in the application of this chapter throughout the
20 Commonwealth of the Northern Marianas Islands and that, therefore, the matters
21 addressed by this chapter are, except as specified herein, matters of the
22 Commonwealth of the Northern Marianas Islands concern.

23 (b) The Legislature intends that the provisions of this Act, together with the other
24 provisions of existing Commonwealth law, will:

25 (1) Provide the people of the Northern Mariana Islands with the
26 opportunity to establish an industry based on the production and potential
27 exportation of marijuana should the federal government choose to legalize
28 marijuana;

29 (2) Allow each Senatorial District through their respective Local

1 Delegation to determine what is appropriate for its people, land, and economy in
2 regards to marijuana use.

3 (3) Prevent the distribution of marijuana to persons under 21 years of age;

4 (4) Prevent revenue from the sale of marijuana from going to criminal
5 enterprises, gangs, and cartels;

6 (5) Prevent the unlawful diversion of marijuana from this Commonwealth
7 to other States and Territories of the United States;

8 (6) Prevent marijuana activity that is legal under Commonwealth law from
9 being used as a cover or pretext for the trafficking of other illegal drugs or other
10 illegal activity;

11 (7) Prevent violence and the use of firearms in the cultivation and
12 distribution of marijuana;

13 (8) Prevent the unpermitted growing of marijuana on public lands and the
14 attendant public safety and environmental dangers posed by marijuana production
15 on public lands; and

16 (9) Prevent the possession and use of marijuana on federal property.

17 **Section 104. Limitations.** This Act may not be construed:

18 (a) To amend or affect in any way any Commonwealth or federal law pertaining
19 to employment matters;

20 (b) To amend or affect in any way any Commonwealth or federal law pertaining
21 to landlord-tenant matters;

22 (c) To prohibit a recipient of a federal grant or an applicant for a federal grant
23 from prohibiting the manufacture, delivery, possession, or use of marijuana to the extent
24 necessary to satisfy federal requirements for the grant;

25 (d) To prohibit a party to a federal contract or a person applying to be a party to a
26 federal contract from prohibiting the manufacture, delivery, possession, or use of
27 marijuana to the extent necessary to comply with the terms and conditions of the contract
28 or to satisfy federal requirements for the contract;

29 (e) To require a person to violate a federal law;

1 (f) To exempt a person from a federal law or obstruct the enforcement of a federal
2 law.

3 **Section 105. Definitions.** As used in this Act:

4 (a) "Cannabis" means a genus of flowering plants that includes three putative
5 varieties; Cannabis sativa, Cannabis indica, and Cannabis ruderalis. The Cannabis genus
6 has two main species popularly known as Cannabis Sativa and Cannabis Indica:

7 (1) Cannabis Sativa plants have known to stretch to extraordinary heights
8 of up to 20 feet when grown outside, and have much longer vegetation periods.
9 Once the plant begins to flower, it can take anywhere from ten to sixteen weeks to
10 fully mature. Since vegetation periods are so long, these plants typically produce a
11 much higher yield than Indica strains (3 ounces to 1 pound per plant), but possess
12 a lower THC percentage than Indica on average (around 12-16%);

13 (2) Cannabis Indica are short and stout in composure (2-4 feet tall), and
14 typically yield smaller (1.5 to 2.5 ounces per plant), higher quality crops (~18%
15 THC) than Cannabis Sativa. The plants are believed to have originated in the
16 Middle East (Pakistan & Afghanistan), and thrive in cooler environments. Indica
17 strains are typically darker green than sativa and have shorter, fatter leaves.

18 (3) The main active ingredient in cannabis is called delta-9 tetrahydro-
19 cannabinol, commonly known as THC. This is the part of the plant that gives the
20 "high." There is a wide range of THC potency between cannabis products.

21 (4) Cannabis is used in three main forms: marijuana, hashish and hash oil.
22 Marijuana is made from dried flowers and leaves of the cannabis plant. It is the
23 least potent of all the cannabis products and is usually smoked or made into edible
24 products like cookies or brownies (see Factsheet: Marijuana Edibles). Hashish is
25 made from the resin (a secreted gum) of the cannabis plant. It is dried and pressed
26 into small blocks and smoked. It can also be added to food and eaten. Hash oil,
27 the most potent cannabis product, is a thick oil obtained from hashish. It is also
28 smoked.

29 (5) Cannabis is usually smoked in hand-rolled cigarettes (known as

1 "joints") or in special water pipes ("bongs"). These pipes or bongs can be bought
2 or made from things such as orange juice containers, soft drink cans or even toilet
3 rolls.

4 (b) "Caregiver" means a person who is 21 years of age or older who is
5 responsible for the medical marijuana patient's needs to the production, processing,
6 keeping, or storage of homegrown marijuana at a household or cultivation site.

7 (c) "Commerce" means the Department of Commerce.

8 (d) "Commission" means the Marijuana Hemp Commission.

9 (e) "Consumer" means a person who purchases, acquires, owns, holds, or uses
10 marijuana items other than for the purpose of resale.

11 (f) "Commonwealth" or "CNMI" means the Commonwealth of the Northern
12 Mariana Islands.

13 (g) "Cultivation site" means a site in which marijuana is produced other than a
14 household for non-commercial purposes. A cultivation site may include but is not limited
15 to a farm, ranch, land parcel, lot, greenhouse, warehouse, building, room, or container.

16 (h) "Debilitating medical condition" means:

17 (1) cancer, glaucoma, positive status for human immunodeficiency virus,
18 acquired immune deficiency syndrome, hepatitis C, amyotrophic lateral sclerosis,
19 Crohn's disease, ulcerative colitis, agitation of Alzheimer's disease, post-
20 traumatic stress disorder, or the treatment of these conditions;

21 (2) a chronic or debilitating disease or medical condition or its treatment
22 that produces one or more of the following: stroke, diabetes, Parkinson's disease,
23 Wilson's disease, Traumatic Brain Injury, ADD/ADHD, muscular
24 Dystrophy(MD), Cerebral Palsy, asthma, and other types of immune-modulated
25 inflammatory diseases, cachexia or wasting syndrome; severe, debilitating pain;
26 severe nausea; seizures; or severe and persistent muscle spasms, including, but
27 not limited to, those characteristic of multiple sclerosis; or

28 (3) any other serious medical condition or its treatment provided for by the
29 Commission regulation in consultation with the Commonwealth Health Care

1 Corporation (CHCC) or other medical professionals.

2 (i) “Division of Agriculture” means the Department of Lands and Natural
3 Resources Division of Agriculture.

4 (j) “Controlled substance” means a drug or its immediate precursor classified in
5 Schedules I through V by 6 CMC §§ 2111-2123. The term “controlled substance,” as used
6 in the Commonwealth Code does not include marijuana.

7 (k) (1) “Financial consideration,” except as provided in paragraph (b) of this
8 subsection, means value that is given or received directly or indirectly through
9 sales, barter, trade, fees, charges, dues, contributions or donations.

10 (2) “Financial consideration” does not mean any of the following:

11 (i) Homegrown marijuana made by another person.

12 (ii) Homemade marijuana products made by another person.

13 (l) “Hemp” means the plant of the genus cannabis and any part of the plant,
14 whether growing or not, with a delta9-tetrahydrocannabinol concentration that does not
15 exceed three tenths percent on a dry weight basis for any part of the plant cannabis, or per
16 volume or weight of marijuana product, or the combined percent of delta-9-
17 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant cannabis
18 regardless of moisture content.

19 (m) “Homegrown” or “homemade” means grown or made by a person 21 years
20 of age or older for noncommercial purposes.

21 (n) “Homegrown marijuana registry” means a record maintained by the
22 Commission of the names and addresses of persons who are 21 years of age or older or
23 medical marijuana patients authorized to produce, process, keep, or store homegrown
24 marijuana at a household or a cultivation site for non-commercial purposes.

25 (o) “Homegrown marijuana registry card” means a card issued by the
26 Commission to a person who is 21 years of age or older or a medical marijuana patient
27 that is authorized to produce, process, keep, or store homegrown marijuana at a
28 household or a cultivation site for non-commercials purposes.

29 (p) “Household” means a housing unit, and includes any place in or around the

1 housing unit at which the occupants of the housing unit are producing, processing,
2 keeping, or storing marijuana, marijuana products, or marijuana extracts, whether
3 homemade or purchased.

4 (q) “Housing unit” means a house, an apartment, a mobile home, a group of
5 rooms, or a single room that is occupied as separate living quarters, in which the
6 occupants live and eat separately from any other persons in the building and which have
7 direct access from the outside of the building or through a common hall.

8 (r) “Immature marijuana plant” means a marijuana plant with no observable
9 flowers or buds.

10 (s) “Licensee” means any person holding a license issued under this Act, or any
11 person holding a license or permit issued under any regulation promulgated pursuant to
12 Section 8, *infra*.

13 (t) “Licensee representative” means an owner, director, officer, manager,
14 employee, agent, or other representative of a licensee, to the extent such person acts in
15 such representative capacity.

16 (u) “Marijuana” means all parts of the plant of the genus *Cannabis*, the seeds
17 thereof, and every compound, manufacture, salt derivative, mixture, or preparation of the
18 plant and its seeds whether growing or not, regardless of moisture content, other than
19 marijuana extracts. “Marijuana” does not include hemp, nor does it include fiber
20 produced from the stalks, oil or cake made from the seeds of the plant, sterilized seed of
21 the plant which is incapable of germination, or the weight of any other ingredient
22 combined with marijuana to prepare topical or oral administrations, food, drink, or other
23 product.

24 (v) “Marijuana establishment” means an entity licensed by the Commission as a
25 marijuana producer, marijuana lounge, marijuana testing facility, marijuana processor, a
26 marijuana retailer, or a marijuana wholesaler.

27 (w) “Marijuana extract” or “Marijuana concentrate” means a product obtained by
28 separating resins from marijuana by solvent extraction, using solvents other than water or
29 vegetable glycerin, such as butane, hexane, isopropyl alcohol, ethanol, and carbon

1 dioxide: which is produced only by a licensed marijuana establishment.

2 (x) (1) “Marijuana flowers” means the flowers of the plant Cannabis family
3 Moraceae.

4 (2) “Marijuana flowers” does not include any part of the plant other than
5 the flowers.

6 (y) “Marijuana items” means marijuana, marijuana products, and marijuana
7 extracts.

8 (z) (1) “Marijuana leaves” means the leaves of the plant Cannabis family
9 Moraceae.

10 (2) “Marijuana leaves” does not include any part of the plant other than
11 the leaves.

12 (aa) “Marijuana Lounge” means an entity licensed by the Commission to sell and
13 /or allow for the on-site consumption of marijuana items.

14 (1) “Class 1” means an entity licensed to sell marijuana items for on-site
15 consumption.

16 (2) “Class 2” means an entity licensed to allow for the on-site
17 consumption of marijuana items, but for which the sale of marijuana items is
18 prohibited.

19 (bb) “Marijuana processor” means a person who processes marijuana items in this
20 Commonwealth.

21 (cc) “Marijuana producer” means a person who produces marijuana in this
22 Commonwealth.

23 (dd) (1) “Marijuana products” means products that contain marijuana or
24 marijuana extracts and are intended for consumption, that include, but are not
25 limited to being edible, drinkable, or topical.

26 (2) “Marijuana products” does not mean:

27 (i) Marijuana, by itself; or

28 (ii) A marijuana extract, by itself.

29 (ee) “Marijuana retailer” means a person who sells marijuana items to a consumer

1 in this Commonwealth.

2 (ff) “Marijuana testing facility” means an entity licensed by the Commission to
3 analyze and certify the safety and potency of marijuana items.

4 (gg) “Marijuana wholesaler” means a person who purchases marijuana items in
5 this Commonwealth for resale to a person other than a consumer in this Commonwealth,
6 such as a licensed marijuana establishment.

7 (hh) “Mature marijuana plant” means any marijuana plant that is not an immature
8 marijuana plant. A mature marijuana plant has observable flowers or buds.

9 (ii) “Medical marijuana” or “medicinal marijuana” means marijuana used by a
10 person for medical or medicinal purposes.

11 (jj) “Medical Marijuana patient” means a person who uses marijuana as
12 recommended by a doctor or other medical authority in the treatment of a debilitating
13 medical condition or any other medical condition.

14 (kk) “Micro producer” means a person with a micro production license to produce
15 marijuana in this Commonwealth.

16 (ll) “Noncommercial” means not dependent or conditioned upon the provision or
17 receipt of financial consideration.

18 (mm) “Person” means any natural person, corporation, professional corporation,
19 nonprofit corporation, cooperative corporation, profit or nonprofit unincorporated
20 association, business trust, limited liability company, general or limited partnership, joint
21 venture, or any other legal entity.

22 (nn) “Premises” or “licensed premises” or “marijuana establishment” means a
23 location licensed under this Act and includes:

24 (1) All enclosed areas at the location that are used in the business operated
25 at the location, including offices, kitchens, rest rooms and storerooms, including
26 all public and private areas;

27 (2) All areas outside of a building that the Commission has specifically
28 licensed for the consumption, production, processing, wholesale sale, or retail sale
29 of marijuana items; and

1 (3) For a location that the Commission has specifically licensed for the
2 production of marijuana outside of a building, the entire lot or parcel, that the
3 licensee owns, leases, or has a right to occupy.

4 (oo) (1) “Processes” means:

5 (i) The processing, compounding, or conversion of marijuana into
6 marijuana products or marijuana extracts;

7 (ii) The processing, compounding, or conversion of marijuana,
8 either directly or indirectly by extraction from substances of natural origin,
9 or independently by means of chemical synthesis, or by a combination of
10 extraction and chemical synthesis;

11 (iii) The packaging or repackaging of marijuana items; or

12 (iv) The labeling or relabeling of any package or container of
13 marijuana items.

14 (2) “Processes” does not include:

15 (i) The drying of marijuana by a marijuana producer, if the
16 marijuana producer is not otherwise processing marijuana; or

17 (ii) The packaging and labeling of marijuana by a marijuana
18 producer in preparation for delivery to a marijuana processor, marijuana
19 retailer, marijuana wholesaler, or marijuana lounge.

20 (pp) (1) “Produces” means the manufacture, planting, cultivation, growing, or
21 harvesting of marijuana.

22 (2) “Produces” does not include:

23 (i) The drying of marijuana by a marijuana processor, if the
24 marijuana processor is not otherwise producing marijuana; or

25 (ii) The cultivation and growing of an immature marijuana plant by
26 a marijuana processor, marijuana lounge, marijuana wholesaler, or
27 marijuana retailer if the marijuana processor, marijuana lounge, marijuana
28 wholesaler, or marijuana retailer purchased or otherwise received the plant
29 from a licensed marijuana producer.

1 (qq) “Public place” means a place to which the general public has access and
2 includes, but is not limited to, beaches, hallways, lobbies and other parts of apartment
3 houses and hotels not constituting rooms or apartments designed for actual residence, and
4 highways, streets, schools, places of amusement, parks, playgrounds and premises used in
5 connection with public passenger transportation.

6 (rr) “Sale” or “sold” means:

7 (1) Any transfer, exchange or barter, in any manner or by any means, for a
8 consideration, and includes and means all sales made by any person. It includes a
9 gift by a person engaged in the business of selling marijuana, for advertising, as a
10 means of evading this Act, or for any other purpose.

11 (2) If a marijuana producer also holds one or more processor licenses, one
12 or more wholesale licenses, one or more marijuana lounge licenses, or one or
13 more retail licenses, a sale of marijuana flowers, marijuana leaves, or immature
14 marijuana plants will be deemed to occur if and when the marijuana producer
15 processes or takes any other action with respect to such marijuana flowers,
16 marijuana leaves, or immature marijuana plants for which a processor license,
17 wholesale license, marijuana lounge license, or retail license is required,
18 regardless of whether the marijuana producer continues to own or possess the
19 marijuana flowers, marijuana leaves, or immature marijuana plants.

20 **Section 106. Exemptions.**

21 (a) This Act does not apply:

22 (1) To the production, processing, keeping, or storage of homegrown
23 marijuana at a household for non-commercial purposes by one or more persons 21
24 years of age and older if the total of homegrown marijuana at the household or
25 cultivation site does not exceed six (6) ~~twelve (12)~~ mature marijuana plants; with
26 NO MORE THAN 24 immature plants provided that any additional marijuana
27 produced by the person’s marijuana plants in excess of 1 ounce ~~4 ounces~~ of
28 marijuana must remain in the same secure location where the marijuana was
29 cultivated or secured at a person’s household and such person holds a homegrown

1 marijuana registry card issued by the Commission.

2 (2) To the production, processing, keeping, or storage of homegrown
3 marijuana at a household for non-commercial purposes by a medical marijuana
4 patient or the patient's caregiver who may exceed the six (6) ~~twelve (12)~~ mature
5 marijuana plant limit should the patient's physician deem it necessary and
6 practical for the effective treatment of the medical marijuana patient and with no
7 limit on the number of immature plants; provided that any additional marijuana
8 produced by the person's marijuana plants in excess of 1 ounce ~~4 ounces~~ of
9 marijuana must remain in the same secure location where the marijuana was
10 cultivated or secured at a person's household and such person holds a homegrown
11 marijuana registry card issued by the Commission, and a document with a
12 physician statement recommending the use of marijuana for medicinal use –
13 showing the name of the patient or the caregiver.

14 (3) To the making, processing, keeping, or storage of marijuana products
15 at a household by one or more persons 21 years of age and older, that are properly
16 identified and properly secured to ensure in an enclosed, locked space that
17 persons under 21 years of age do not possess a key.

18 (4) To the delivery, possession, transport, or gifting of not more than four
19 ounces of any marijuana at any given time by a person 21 years of age and older
20 to another person 21 years of age or older for noncommercial purposes.

21 (5) To the delivery, possession, transport, or gifting of not more than
22 Sixteen ounces of any marijuana products in solid form at any given time by a
23 person 21 years of age or older to another person 21 years of age or older for
24 noncommercial purposes.

25 (6) To the delivery, possession, transport, or gifting of not more than
26 seventy-two ounces of any marijuana products in liquid form at any given time by
27 a person 21 years of age or older to another person 21 years of age or older for
28 noncommercial purposes.

29 (7) To the delivery, possession, transport, or gifting of not more than ten

1 grams of marijuana extracts at any given time by a person 21 years of age or older
2 to another person 21 years of age or older for non-commercial purposes.

3 (8) To the delivery, possession, transport, or gifting of not more than six
4 ~~(6) 12~~ immature marijuana plants at any given time by a person 21 years of age or
5 older to another person 21 years of age or older for non-commercial purposes.

6 (9) To the possessing, keeping and storing of any additional purchased
7 marijuana items at a household by one or more persons 21 years of age and older,
8 whereas any additional purchased marijuana items in excess of the following must
9 be properly secured at the person's household.

10 (i) 1 ~~4~~ Ounces of marijuana.

11 (ii) 16 ounces of marijuana product in solid form.

12 (iii) 72 ounces of marijuana product in liquid form.

13 (iv) 5 ~~10~~ grams of marijuana extract.

14 (v) 6 ~~12~~ immature marijuana plants.

15 (10) To the transportation of any amount of harvested homegrown
16 marijuana from a person's cultivation site being directly transported to the
17 person's household at any given time by one or more persons 21 years of age or
18 older, whereas the harvested homegrown marijuana will be secured at the
19 person's household.

20 (11) To the making, processing, keeping, or storage of homemade
21 marijuana extracts or marijuana concentrates at a household by one or more
22 persons 21 years of age and older if the marijuana extracts or concentrates were
23 produced using only water or vegetable glycerin solvents or other forms of non-
24 solvent extraction processing methods, as described in Section 156(a) of this Act.

25 (b) This Section is subject to the following terms:

26 (1) Marijuana plants shall be cultivated in a location where the plants are
27 not subject to public view without the use of binoculars, aircraft, or other optical
28 aids.

29 (2) A person who cultivates marijuana must take reasonable precautions to

1 ensure the plants are secure from unauthorized access and access by a person
 2 under the age of 21. For purposes of illustration and not limitation, cultivating
 3 marijuana in an enclosed, locked space that persons under 21 years of age do not
 4 possess a key to constitutes reasonable precautions.

5 (3) Marijuana cultivation may only occur on property lawfully in
 6 possession, either by appropriate lease of no less than ten years or actual
 7 ownership, of the cultivator or with the consent of the person in lawful possession
 8 of the property.

9 (4) A person who violates this section while otherwise acting in
 10 compliance with this Act is guilty of a violation punishable by a civil infraction
 11 punishable by a fine of \$100 for a first offense. If the person is found guilty of a
 12 second offense within a two-year period, then their marijuana will be confiscated
 13 and they will be fined \$500. If a person is found guilty of a third offense
 14 occurring within a two-year period, their marijuana will be confiscated and then
 15 the person will be guilty of a misdemeanor punishable by a fine of up to \$1,000
 16 and thirty days of imprisonment, including revocation of their homegrown
 17 marijuana registry card.

18 **Section 107. Cannabis Commission.**

19 (a) The Cannabis Commission is hereby established as a regulatory agency of the
 20 government of the Commonwealth of the Northern Mariana Islands.

21 (b) Appointment of Commissioners and Term. The Commission shall consist of
 22 ~~five~~ nine commissioners.

23 (1) The Governor shall appoint from the Third Senatorial District five
 24 ~~three~~ members to the Commission, subject to the advice and consent of the Saipan
 25 and Northern Islands Legislative Delegation. Provided that one of the five ~~three~~
 26 members appointed by the Governor shall be a voter from the Northern Islands
 27 and selected by the Northern Islands' Mayor.

28 (2) The Mayor of Rota shall appoint from the First Senatorial District two
 29 ~~one~~ members to the Commission, subject to the advice and consent of the Rota

1 Legislative Delegation.

2 (3) The Mayor of Tinian and Aguiguan shall appoint from the Second
3 Senatorial District ~~two~~ one members to the Commission, subject to the advice and
4 consent of the Tinian and Aguiguan Legislative Delegation.

5 (4) Each member shall serve a term of four years, except that of the
6 members first appointed, two shall serve a term of two years, and three shall serve
7 a term of four years, which shall be determined by lottery at the first meeting of
8 the Commission.

9 (5) The first members of the Commission shall be appointed as provided
10 in this section before March 15, 2019~~8~~. The terms of all the members first
11 appointed shall begin from March 15, 2019~~8~~, regardless of the actual date of
12 appointment.

13 (6) Any vacancy shall be filled in the same manner as the original
14 appointment and for the unexpired term thereof. No member shall serve more
15 than two consecutive terms. A member removed from the Commission for cause
16 shall not be re-appointed to the Commission.

17 (c) Qualifications of Commissioners.

18 (1) Each member shall be a citizen or national of the United States and
19 shall be a resident of and registered to vote in the Senatorial District from which
20 they were appointed.

21 (2) A Commission member must be an adult, and possess a good mor
22 character, and at least two commission members must at least have a bachelor's
23 degree in any field of study from a postsecondary educational institution
24 accredited in the United States or must have at least five years work experience in
25 the following areas: business management, government management, or financial
26 management.

27 (3) No person may be appointed who has been convicted of a crime,
28 excepting traffic offenses, in any jurisdiction of the United States, the
29 Commonwealth or any foreign country carrying a maximum sentence of more

1 than six months, or any crime or offense involving moral turpitude unless a full
2 pardon has been granted.

3 (4) No individual may serve as a member of the Commission, if such
4 individual, or a parent or child of such individual, holds or is an applicant for any
5 license under this title or holds any direct or indirect financial interest in any
6 person or entity that holds or is an applicant for any license under this title.

7 (5) The gender and ethnicity requirements of 1 CMC § 2901 shall not
8 apply to the Commission.

9 (d) Removal of Commissioner for Cause Only. The Governor may, for cause
10 only, suspend or remove any Commission member, without regard to who appointed said
11 member, subject to judicial review by the Superior Court, which may stay such removal
12 or suspension pending such review.

13 (e) Membership on the Commission shall be automatically forfeited upon
14 violation of subsection (3) of this section, upon conviction of a felony, or upon conviction
15 of any crime or offense involving moral turpitude.

16 (f) The Commission shall not be considered an agency of local government for
17 purposes of Article VI, Section 8, of the Constitution.

18 (g) Compensation – upon availability of Funds. Members of the Commission
19 shall each be compensated at the rate of \$40,000.00 for the first year of the Commission's
20 existence. After the first year of the Commission's existence , Commissioners shall be
21 compensated at the hourly rate of \$20.00 for official Commission meetings attended. In
22 addition, the Commissioners shall be reimbursed for their actual, necessary, and
23 reasonable expenses incurred in the performance of their duties. All travel will be subject
24 to 1 CMC §7407.

25 (h) The members of the Commission shall elect their chairman, vice chairman,
26 secretary and treasurer for terms of one year, beginning from the effective date of their
27 term.

28 (i) Quorum. The minimum number of members needed to constitute a
29 quorum for the conduct of Commission business shall be five ~~three~~ members;

1 provided at least one member of the Senatorial District of Tinian or Rota is counted in the
2 quorum. The Commission is encouraged to adopt rules and regulations to provide for the
3 appearance at meetings telephonically or via videoconference by members who are not
4 physically present at the meeting. A member who appears telephonically or via
5 videoconference pursuant to Commission rule or regulation shall be deemed present to
6 constitute a quorum.

7 (j) The members of the Commission are not employees of the Commission or the
8 Commonwealth government.

9 **Section 108. Powers and Duties of the Commission.** The Cannabis
10 Commission has the powers and duties specified in this Act, and also the powers
11 necessary or proper to enable it to carry out fully and effectually all the purposes of this
12 Act. The jurisdiction, supervision, powers and duties of the Commission extend to any
13 person who buys, sells, produces, processes, transports, or delivers any marijuana items
14 within this Commonwealth. The Commission shall have all the powers and authority
15 necessary to carry out the purposes of this chapter, including, without limitation, the
16 responsibility:

17 (a) To conduct hearings pertaining to the violation of this chapter or regulations
18 promulgated hereto; including hearings for the purpose of approving marijuana or hemp
19 licenses and other business allowed under this chapter.

20 (b) To promulgate such rules and regulations, as may be necessary to fulfill the
21 intent, policies and purposes of this chapter. The Commission may use such rules and
22 regulations to interpret, enlarge upon, except provisions defining the authority and
23 powers of the Commission, or define, or any provision of this chapter to the extent that
24 such provision is not specifically defined by this chapter. The rules and regulations shall,
25 at a minimum, provide for the following:

26 (1) A code of ethics for the members of the Commission and its officers
27 and employees.

28 (2) Supervision, monitoring and investigation or other means to ensure the
29 suitability and compliance with the legal, statutory and contractual obligations of

1 owners, operators, and employees of marijuana or hemp businesses and other
2 persons licensed under this chapter.

3 (3) The examination, supervision and monitoring of the continuing fiscal
4 and financial capability and transactions of marijuana or hemp businesses owners,
5 operators, concessionaires and other parties with any direct relation to the
6 marijuana or hemp business operators and to protect the public in the event that
7 such capability is significantly diminished.

8 (4) To collaborate in the definition, coordination and execution of the
9 social, environmental and economic policies for the operations of the marijuana
10 and hemp businesses.

11 (5) To authorize and certify all the equipment, facilities, and tools or
12 utensils used by the operations of marijuana or hemp businesses.

13 (6) To issue licenses for marijuana and hemp businesses and other
14 authorized activities under this act.

15 (7) To examine, supervise and monitor the eligibility of all authorized and
16 licensed marijuana and hemp businesses or activities authorized under this act;
17 including their partners and principal employees.

18 (8) To investigate and penalize any administrative infractions practiced
19 according to the appropriate substantial and procedural legislations.

20 (9) To ensure that the relationship of the licensed marijuana and hemp
21 businesses and individuals or entities authorized for personal or medicinal use of
22 marijuana with the government and the public is in compliance with the
23 Commission's regulations and provides the highest interest to Commonwealth.

24 (10) The exclusion and removal of undesirable persons from the marijuana
25 and hemp businesses.

26 (11) Civil penalties for the violation of provisions or regulations imposed
27 under this chapter.

28 (12) Penalties for the late payment of applicable fines, or fees.

29 (c) To levy fines and penalties for the violation of provisions of this chapter and

1 the regulation promulgated by the Commission.

2 (d) To require and demand access to and inspect, examine, photocopy, and audit
3 all papers, books and records of the license marijuana and hemp businesses on its
4 premises or elsewhere as practical, including inspecting the gross income produced by
5 the marijuana and hemp businesses and verification of their income, and all other matters
6 affecting the enforcement of the Commission's policy or as required pursuant to this
7 chapter.

8 (e) For the types of licenses or permits to be covered by the marijuana and hemp
9 license and their structure.

10 (f) The Commission shall not regulate personal cultivation of marijuana.

11 (g) To regulate the purchase, sale, production, processing, transportation, and
12 delivery of marijuana items in accordance with the provisions of this Act.

13 (h) To grant, refuse, suspend or cancel licenses for the sale, processing, or
14 production of marijuana items, or other licenses in regard to marijuana items, and to
15 permit, in its discretion, the transfer of a license of any person.

16 (i) To investigate and aid in the prosecution of every violation of Commonwealth
17 statutes relating to marijuana items, and cooperate in the prosecution of offenders before
18 the Superior Court for the Commonwealth of the Northern Mariana Islands.

19 (j) To adopt such regulations as are necessary and feasible for carrying out
20 the intent and provisions of this Act and to amend or repeal such regulations. When such
21 regulations are adopted they shall have the full force and effect of law.

22 (k) To exercise all powers incidental, convenient or necessary to enable it to
23 administer or carry out any of the provisions of this Act.

24 (l) To regulate and prohibit any advertising by manufacturers, processors,
25 wholesalers or retailers of marijuana items by the medium of newspapers, letters,
26 billboards, radio or otherwise.

27 (m) To regulate the use of marijuana items for scientific, pharmaceutical,
28 manufacturing, mechanical, industrial and other purposes.

29 (n) To adopt separate regulations as are necessary and feasible for the

1 development of a medical marijuana program.

2 (o) To adopt separate regulations as are necessary and feasible for the
3 development of a hemp program for strains of cannabis that do not exceed three tenths
4 percent on a dry weight basis of any part of the plant cannabis, or per volume or weight
5 of marijuana product, or the combined percent of delta-9-tetrahydrocannabinol and
6 tetrahydrocannabinolic acid in any part of the plant cannabis regardless of moisture
7 content.

8 (p) On or before June 1, 2019 the Commission shall prescribe forms and adopt
9 such rules and regulations as the Commission deems necessary for the implementation
10 and administration of this Act.

11 (q) The Commission has no power to purchase, own, sell, or possess any
12 marijuana items.

13 **Section 109. Executive Director.**

14 (a) The Commission shall hire an Executive Director who will be responsible for
15 the overall administration of the Commission and the supervision of the marijuana and
16 hemp licensee and others pursuant to this chapter.

17 (b) Qualification of the Executive Director. The Executive Director shall possess
18 the following minimum qualification:

19 (1) A bachelor's degree from a United States accredited educational
20 institution or equivalent; and

21 (2) Five years work experience - professional, administrative or
22 management in government or private sectors; and

23 (3) Good ethical and moral character; and

24 (4) The Commission shall not hire any person for the Executive Director's
25 position who has been convicted of a crime in any jurisdiction of the United
26 States, or any foreign country carrying a minimum sentence of imprisonment of
27 more than six months, excepting traffic offenses.

28 (5) The Executive Director shall not have any interest, directly or
29 indirectly, in any business under the jurisdiction of the Commission.

1 (c) The Executive Director shall be the head of the administration of the
2 Commission, and subject to the general oversight and direction of the Commission, shall
3 organize the work of the Commission in a manner that will ensure its efficient and
4 effective operation and, subject to the budgetary authority, the Executive Director may
5 hire and terminate such staff necessary to carry out the purpose of the Commission. Such
6 staff shall be exempt from the civil service. The Executive Director shall obtain such
7 equipment, rent or build such additional office space, and generally make such regular
8 office expenditure and acquisitions as necessary to establish and maintain a working
9 office suitable for the Commission to effectively function pursuant to this chapter.

10 (d) The Executive Director shall have such other duties as may be assigned or
11 delegated by the Commission.

12 (e) The Executive Director serves at the pleasure of the Commission.

13 (f) The Executive Director's annual salary shall be determined by the
14 Commission, subject to availability of funds, but in no event shall it exceed \$85,000.00
15 per year. The Executive Director shall be reimbursed for actual, necessary, and
16 reasonable expenses incurred in the performance of his or her duties as allowed by the
17 Commission, but in any event not to exceed \$25,000.00 in reimbursements per calendar
18 year. All travel will be subject to 1 CMC §7407.

19 **Section 110. Rules and Regulations.**

20 The Commission shall promulgate rules and regulations to carry out the purposes
21 of this chapter, including but not limited to, Marijuana or Hemp promotional activities;
22 compliance and internal controls, and control of the financial suitability of licensed
23 operators. The Commission may, in addition to any other purpose, use such rules and
24 regulations to interpret, enlarge upon, or define any provision of this title.

25 **Section 111. Powers and Duties of the Division of Agriculture.**

26 The Department of Lands and Natural Resources, Division of Agriculture shall
27 assist and cooperate with the Commission to the extent necessary for the Commission to
28 carry out its duties and the authority under this Act.

29 **Section 112. Homegrown Marijuana Registry.**

1 (a) The Commission shall establish a homegrown marijuana registry for all
2 persons who are 21 years of age or older or medical marijuana patients that are
3 authorized to produce, process, keep, or store homegrown marijuana at a household or a
4 cultivation site.

5 (b) The Commission shall maintain a record of the homegrown marijuana registry
6 which shall include the names and addresses of registrants, and other pertinent
7 information related to the personal cultivation of homegrown marijuana at a household or
8 a cultivation site.

9 (c) The Commission shall provide renewable annual registry cards to qualified
10 persons and shall assess an annual registration fee not to exceed \$100.00.

11 (d) All information obtained by the Commission regarding the records of the
12 homegrown marijuana registrants shall remain confidential, never be released to the
13 public, and shall only be available to government agencies charged with carrying out the
14 provisions of this act.

15 (e) The Commission shall not prohibit nor deny persons aged 21 or older from
16 obtaining a homegrown marijuana registry card. Whereas, in the event that the
17 Commission does not develop, implement or maintain the homegrown marijuana registry
18 system by July 1, 2019 or thereafter, this should not prohibit any persons 21 years of age
19 or older from the cultivation of homegrown marijuana, as long as the marijuana is
20 cultivated in accordance with the guidelines defined in this Act.

21 **Section 113. No Liability for Official Acts.**

22 No member of the Commonwealth government may be sued for doing or omitting
23 to do any act in the performance of duties as prescribed in this Act.

24 **Section 114. Powers; Licenses; Federal Law.**

25 (a) Neither the Commission or the Division of Agriculture may refuse to perform
26 any duty under this Act on the basis that manufacturing, distributing, dispensing,
27 possessing, or using marijuana is prohibited by federal law.

28 (b) The Commission may not revoke or refuse to issue or renew a license under
29 this Act on the basis that manufacturing, distributing, dispensing, possessing, or using

1 marijuana is prohibited by federal law.

2 (c) The Commission may limit the number of available licenses under this Act if
3 it determines that doing so is necessary for the safe and effective regulation of marijuana
4 in the Commonwealth of the Northern Mariana Islands.

5 (d) The Commission may issue a license to a CNMI government entity or
6 municipality subject to the provisions of this Act.

7 (e) The Commission shall not issue licenses to businesses that existed prior to the
8 effective date of this act.

9 **Section 115. Contracts.**

10 No contract shall be unenforceable on the basis that manufacturing, distributing,
11 dispensing, possessing, or using marijuana is prohibited by federal law.

12 **Section 116. Licenses and Licensee Representatives.**

13 Licensees and licensee representatives may produce, deliver, and possess
14 marijuana items subject to the provisions of this Act. The production, delivery, and
15 possession of marijuana items by a licensee or a licensee representative in compliance
16 with this Act shall not constitute a criminal or civil offense under Commonwealth law.

17 **Section 117. Purchaser's Qualifications.**

18 No licensee or licensee representative may sell or deliver any marijuana items to
19 any person under 21 years of age who does not possess a valid recommendation for
20 marijuana issued by a doctor licensed to practice medicine in the Northern Mariana
21 Islands, or by a country of origin for the non-CNMI resident patient.

22 **Section 118. Limitations Applied.**

23 (a) Licensed marijuana retailers and marijuana lounges, with exemption applied
24 to marijuana lounges for subsection ~~(a)(5)~~ of this section, are prohibited from selling
25 items in excess of the following limits, to consumers at any one time per transaction:

- 26 (1) 1 4 Ounces of marijuana.
27 (2) 16 ounces of marijuana product in solid form.
28 (3) 72 ounces of marijuana product in liquid form.
29 (4) 5 ~~10~~ grams of marijuana extract.

1 (5) ~~6~~ 12 immature marijuana plants.

2 (b) Consumers are prohibited from purchasing items from a marijuana
3 establishment in excess of the following limits, at any one time per transaction:

4 (1) 1 ~~4~~ Ounces of marijuana.

5 (2) 16 ounces of marijuana product in solid form.

6 (3) 72 ounces of marijuana product in liquid form.

7 (4) 5 ~~10~~ grams of marijuana extract.

8 (5) ~~6~~ 12 immature marijuana plants.

9 (c) Persons 21 years of age or older are allowed to transport the following items
10 for noncommercial purposes at any given time which must not exceed:

11 (1) 1 ~~4~~ Ounces of marijuana.

12 (2) 16 ounces of marijuana product in solid form.

13 (3) 72 ounces of marijuana product in liquid form.

14 (4) 5 ~~10~~ grams of marijuana extract.

15 (5) ~~6~~ 12 immature marijuana plants.

16 (d) Persons 21 years of age or older are allowed to possess in public the
17 following items at any given time, so long as the items are not made viewable or exposed,
18 and for non-commercial purposes, are not to exceed:

19 (~~1a~~) 1 ~~4~~ Ounces of marijuana.

20 (~~2b~~) 16 ounces of marijuana product in solid form.

21 (~~3e~~) 72 ounces of marijuana product in liquid form.

22 (~~4d~~) 5 ~~10~~ grams of marijuana extract.

23 **Section 119. Requiring Identification from Certain Purchasers.**

24 All licensees and licensee representatives, before selling or serving marijuana
25 items to any person about whom there is any reasonable doubt of the person's having
26 reached 21 years of age, shall require such person to produce one of the following pieces
27 of identification:

28 (a) The person's valid passport.

29 (b) The person's valid motor vehicle operator's license, whether issued in this

1 Commonwealth or by any other State or Territory, so long as the license has a picture of
2 the person, and the person's date of birth.

3 (c) A REAL ID compliant identification card issued by the Commonwealth or by
4 another State or Territory.

5 (d) A United States military identification card.

6 (e) Any other identification card issued by the Commonwealth that bears a picture
7 of the person, the name of the person, the person's date of birth and a physical description
8 of the person.

9 **Section 120. False Concealment of Age; Statement of Age as a Defense.**

10 (a) No person shall produce any piece of identification that would falsely indicate
11 the person's age.

12 (b) If a piece of identification is offered as evidence in any administrative or
13 criminal prosecution of a licensee or licensee representative for sale or service of
14 marijuana items to a person not having reached 21 years of age, the licensee or licensee
15 representative shall be found to have committed no crime or other wrong unless it is
16 demonstrated that a reasonable person would have determined that the identification
17 exhibited was altered or did not accurately describe the person to whom the marijuana
18 items were sold or served.

19 **Section 121. The Commission's Licensing Duties.**

20 (a) On or before July 1, 2019, upon 210 days of this act becoming law, the
21 Commission shall begin receiving applications for the licensing of persons to produce,
22 process, and sell marijuana within the Commonwealth. Upon receipt of a license
23 application, the Commission shall not unreasonably delay the processing, approval, or
24 rejection of the application or, if the application is approved, the issuance of the license.

25 (b) The licenses described in this Act shall be issued by The Commission, subject
26 to its regulations and restrictions and the provisions of this Act.

27 (c) The Commission may not license any premise that is located within a distance
28 of 500 feet from any church, hospital, medical clinic, public or private school building,
29 daycare center, or youth center that is in existence at the time the license is issued.

1 (d) The Commission may not license a premise that does not have defined
2 boundaries. A licensed premise need not be enclosed by a wall, fence or other structure,
3 but the Commission may require that any licensed premises be enclosed as a condition of
4 issuing or renewing a license. The Commission may not license premises that are
5 mobile.

6 (e) The Commission may not issue licenses to applicants without proof of
7 continued CNMI residency within the past 10 years prior to the effective date of the act.
8 This provision will expire after ten (10) 5 years of the acts passage unless extended by the
9 Legislature through enactment of law. Disruption of continued residency shall not be
10 applicable to U.S. Citizens or CNMI permanent residents who left the CNMI and are
11 abroad for military service or academic post-secondary education or other technical and
12 agricultural traits enhancement or training.

13 **Section 122. Production License.**

14 (a) The production of marijuana is subject to regulation by the Commission.

15 (b) A marijuana producer must have a production license issued by the
16 Commission for the premises at which the marijuana is produced.

17 (c) A marijuana producer who possesses no more than twenty-five (25) mature
18 marijuana plants may acquire a micro production license, instead of a production license,
19 issued by the Commission for the premises at which the marijuana is produced.

20 **Section 123. Processor License.**

21 (a) The processing of marijuana items is subject to regulation by the Commission.

22 (b) A marijuana processor must have a processor license issued by the
23 Commission for the premises at which marijuana items are processed.

24 **Section 124. Wholesale License.**

25 (a) The wholesale sale of marijuana items is subject to regulation by the
26 Commission.

27 (b) A marijuana wholesaler must have a wholesale license issued by the
28 Commission for the premises at which marijuana items are received, kept, stored, or
29 delivered.

1 **Section 125. Retail License.**

2 (a) The retail sale of marijuana items is subject to regulation by the Commission.

3 (b) A marijuana retailer must have a retail license issued by the Commission for
4 the premises at which marijuana items are sold.

5 **Section 126. Marijuana Lounge License.**

6 (a) Marijuana lounges licensed to sell and/or allow for the on-site consumption of
7 marijuana, marijuana extracts, or marijuana products is subject to regulation by the
8 Commission.

9 (b) A marijuana lounge licensee must have a “Class 1” or “Class 2” marijuana
10 lounge license issued by the Commission for the premises at which marijuana, marijuana
11 extracts, and marijuana products are received, kept, stored, delivered, sold or consumed.

12 (c) A marijuana lounge licensee may not sell, distribute or allow the consumption
13 of alcohol on the marijuana lounge premises.

14 (d) No persons under the age of 21 may be allowed to enter a marijuana lounge,
15 unless that individual meets the requirements of subsection (f) ~~(6)~~ of this Section.

16 (e) Licensed marijuana lounges shall be exempted from Public Law No. 16-46,
17 the “Smoke-free Air Act of 2008”, to allow for on-site consumption of marijuana,
18 marijuana extracts, and marijuana products.

19 (f) Exemptions to this section are applied for:

20 (1) A person between the age of 18 and 20 years of age in possession of a
21 valid identification, accompanied with a medical form or any documentation
22 validating the person as a medical marijuana patient will be allowed on the
23 premises of a marijuana lounge with a “Class 1” or “Class 2” license and,

24 (2) A person under 18 years of age in possession of a valid identification,
25 accompanied with a medical form or any documentation validating the person as a
26 medical marijuana patient, and is accompanied by a parent(s) or legal guardian,
27 will be allowed only in a marijuana lounge with a “Class 2” license.

28 **Section 127. Marijuana Testing Facility License.**

29 (a) The testing of marijuana items is subject to regulation by the Commission.

1 (b) A marijuana testing facility must have a marijuana testing facility license
2 issued by the Commission for the premises at which marijuana items are analyzed.

3 **Section 128. Employment Protections.**

4 (a) Upon enactment of this Act, it shall be henceforth unlawful for employers to
5 discriminate against employees based upon personal preference regarding the
6 consumption of marijuana items. Indication of THC consumption on pre-employment
7 drug screens shall no longer be used as a basis for denial of employment.

8 (b) No part of this Act in any way protects an employee from the consequences
9 for the use of marijuana items while on duty or at the place of employment. Employers
10 retain the right to handle employees based upon company policies regarding on-the-job
11 intoxication and impairment from alcohol and drugs, including marijuana items.

12 **Section 129. Child Custody Protections.**

13 Upon enactment of this Act, it shall be henceforth unlawful for parents or legal
14 guardians of a minor child/children to be discriminated against or penalized by any
15 government or private agency based upon personal preference regarding the consumption
16 of marijuana items.

17 **Section 130. Smoking Marijuana in Presence of Minors Prohibited.**

18 (a) It is unlawful for any person to smoke marijuana in the presence of a minor in
19 a household or in an enclosed space, with exemptions applied to a licensed marijuana
20 lounge according to the provisions of this Act.

21 (b) A violation of subsection (a) of this section is punishable by a fine of \$250.

22 **Section 131. Examination of Books and Premises of Licensees.**

23 (a) The Commission has the right, without prior notice to the owner or the agent
24 of the owner, to make an examination of the books and may at any time make an
25 examination of the premises of any person licensed under this Act, for the purpose of
26 determining compliance with this Act and the rules of the Commission.

27 (b) The Commission shall not require the books of any licensee to be maintained
28 on the premises of the licensee. However, the owner or the agent of the owner must be
29 capable of producing the books of the licensee within three hours of the Commission

1 exercising its right to make an examination of the books.

2 **Section 132. Multiple Licenses.**

3 Except for micro producers and marijuana testing facilities, the same person may
4 hold one or more marijuana producer licenses, one or more marijuana processor licenses,
5 one or more marijuana wholesaler licenses, one or more marijuana lounge licenses, and
6 one or more marijuana retailer licenses, or a combination of licenses from each category
7 of marijuana establishment types. Micro producers shall hold only (1) one micro
8 production license and marijuana testing facilities shall hold only (1) marijuana testing
9 license.

10 **Section 133. Characteristics of License.**

11 (a) A license granted under this Act shall:

12 (1) Be a purely personal privilege.

13 (2) Be valid for the period stated in the license.

14 (3) Be renewable in the manner provided in this Act, except for a cause
15 which would be grounds for refusal to issue such license as provided by this Act.

16 (4) Be revocable or suspendible as provided in this Act.

17 (5) Be transferable from the premises for which the license was originally
18 issued to another premises subject to the provisions of this Act, any rules of the
19 Commission and local regulation.

20 (6) Cease upon the death of the licensee, except as provided in subsection
21 (b) of this section.

22 (7) Not constitute property.

23 (8) Not be alienable.

24 (9) Not be subject to attachment or execution.

25 (10) Not descend by the laws of testate or intestate devolution.

26 (b) The Commission may, by order, provide for the manner and conditions under
27 which:

28 (1) Marijuana items left by any deceased, insolvent or bankrupt person or
29 licensee, or subject to a security interest, may be foreclosed, sold under execution

1 or otherwise disposed of.

2 (2) The business of any deceased, insolvent or bankrupt licensee may be
3 operated for a reasonable period following the death, insolvency or bankruptcy.

4 (3) A business licensed pursuant to this Act subject to a security interest
5 may be continued in business by a secured party for a reasonable period after
6 default on the indebtedness by the debtor.

7 **Section 134. License Terms; Licenses Issued for Less than a Year;**
8 **Determination Fees.**

9 (a) Except as otherwise provided in this section, all licenses under this Act and
10 renewals thereof shall be issued for a period of one year which shall expire at 12
11 midnight on October 1 of each year.

12 (b) Notwithstanding subsection (a) of this section, a license issued for the first
13 time to an applicant may be issued for less than a year. The fee for a license issued for
14 less than a year under this subsection is the annual license fee prescribed by this Act.

15 **Section 135. Delivery of Marijuana.**

16 A marijuana producer, marijuana processor, or marijuana wholesaler shall deliver
17 marijuana items only to or on a licensed premise. The sale of marijuana items under any
18 license issued by the Commission for retail sales by a licensee shall be restricted to the
19 premises described in the license, but deliveries may be made by the marijuana retailer to
20 consumers pursuant to bona fide orders received on the licensed premises prior to
21 delivery.

22 **Section 136. Application for License; Rules; Fees.**

23 (a) Any person desiring a license or renewal of a license under this Act shall
24 make application to the Commission upon forms to be furnished by the Commission
25 showing the name and address of the applicant, the names and addresses of the
26 applicant's employees, location of the place of business that is to be operated under the
27 license, and such other pertinent information as the Commission may require. No license
28 shall be granted or renewed until the applicant has complied with the provisions of this
29 Act and the rules of the Commission.

1 (b) The Commission may reject any application that is not submitted in the form
2 required by rule. The Commission shall give applicants an opportunity to be heard if an
3 application is rejected.

4 (c) The Commission shall give applicants an opportunity to be heard if it refuses
5 to issue or renew a license under this Act.

6 (d) The Commission shall assess a nonrefundable fee for processing a new or
7 renewal application for any license authorized by this Act. The application processing fee
8 shall be \$250.

9 (e) The annual license fee for any license, except a micro production license,
10 granted by this Act shall not exceed \$4,500. The license fee is nonrefundable and shall be
11 paid by each applicant upon the granting or committing of a license.

12 (f) The annual license fee for a micro production license shall not exceed
13 \$500.00. The license fee is nonrefundable and shall be paid by each applicant upon the
14 granting or committing of a license.

15 (g) The Commission may, by regulation, increase any license fee provided for by
16 this Act. The Commission may increase a license fee if the licensing fees are not
17 adequate to compensate for the cost of regulating marijuana.

18 **Section 137. Grounds for Refusing to Issue License.**

19 (a) The Commission may not license any applicant under the provisions of this
20 Act if the applicant is under 21 years of age.

21 (b) The Commission may refuse to license any applicant under the provisions of
22 this Act, or under standards developed by the appropriate regulatory body, based on
23 considerations including, but not limited to:

24 (1) That the applicant or any of its employees:

25 (i) Has made false statements to the Commission.

26 (ii) Is incompetent or physically unable to carry on the
27 management of the establishment proposed to be licensed.

28 (iii) Did not have a good record of compliance with this Act or
29 any rule of the Commission adopted pursuant thereto.

1 (iv) Is not the legitimate owner of the business proposed to be
2 licensed, or other persons have ownership interests in the business which
3 have not been disclosed.

4 (v) Is unable to understand the laws of Commonwealth relating to
5 marijuana or the rules of the Commission.

6 (vi) Has a demonstrated history of changing the ownership or name
7 of a prior business so as to avoid fines, penalties, payment of judgments,
8 or applications for renewal.

9 (vii) Is determined to be unsuitable for licensure based on any
10 rationale the Commission, or any other regulatory body, determines
11 provided that determination is reasonable, articulable, non-discriminatory,
12 and subject to review.

13 (c) Notwithstanding subparagraph (b) of this section, in determining whether the
14 Commission may refuse to license an applicant, the Commission may not consider the
15 prior conviction of the applicant or any owner, director, officer, manager, employee,
16 agent, or other representative of the applicant for:

17 (1) The manufacture of marijuana, if:

18 (i) The date of the conviction is more than ten years before the date
19 of the application; and

20 (ii) The person has not been convicted more than once for the
21 manufacture or delivery of marijuana;

22 (2) The delivery of marijuana to a person 21 years of age or older, if:

23 (i) The date of the conviction is more than ten years before the date
24 of the application; and

25 (ii) The person has not been convicted more than once for the
26 manufacture or delivery of marijuana; or

27 (3) The possession of marijuana.

28 **Section 138. Grounds for Cancellation or Suspension of License.**

29 The Commission may cancel or suspend any license issued under this Act, if the

1 Commission finds or has reasonable ground to believe any of the following to be true:

2 (a) That the licensee:

3 (1) Has violated any provision of this Act or any rule of the
4 Commission adopted pursuant thereto.

5 (2) Has made any false representation or statement to the
6 Commission in order to induce or prevent action by the Commission.

7 (3) Has maintained an unsafe or insanitary establishment.

8 (4) Is insolvent or incompetent or physically unable to carry on the
9 management of the establishment of the licensee.

10 (5) Has misrepresented to a customer or the public any marijuana
11 items sold by the licensee.

12 (6) Since the granting of the license, has been convicted of a
13 felony, of violating any of the marijuana laws of this Commonwealth,
14 general or local, or of any misdemeanor or violation of any municipal
15 ordinance committed on the licensed premises.

16 (b) That there is any other reason that, in the opinion of the Commission,
17 based on public convenience or necessity, warrants canceling or suspending such
18 license.

19 **Section 139. Administration by the Commission.**

20 The Commission shall administer this Act, and shall prescribe forms and make
21 such rules and regulations as it deems necessary to enforce this Act.

22 **Section 140. Statements by Marijuana Producers as to Quantities Sold.**

23 On or before the 20th day of each month, every marijuana producer shall file with
24 the Commission a statement of the quantities of marijuana flowers, marijuana leaves, and
25 immature marijuana plants sold by the marijuana producer during the preceding calendar
26 month. Given the difficulty in communication, the reporting requirement may be altered
27 by regulation for islands north of Saipan.

28 **Section 141. Estimate by the Commission When Statement not Filed or**
29 **False Statement Filed.**

1 If any marijuana producer fails, neglects or refuses to file a statement required by
2 Section 140 of this Act or files a false statement, the Commission shall estimate the
3 quantities of marijuana flowers, marijuana leaves, and immature marijuana plants sold by
4 the marijuana producer thereon. The marijuana producer shall be estopped from
5 complaining of the quantities so estimated.

6 **Section 142. Records to be Kept by Marijuana Producers.**

7 Every marijuana producer shall keep a complete and accurate record of all sales
8 of marijuana flowers, marijuana leaves, and immature marijuana plants, and a complete
9 and accurate record of the number of ounces of marijuana flowers produced, the number
10 of ounces of marijuana leaves produced, the number of immature marijuana plants
11 produced, and the dates of production. The records shall be in such form and contain such
12 other information as the Commission may prescribe.

13 **Section 143. Inspection of Marijuana Producers' Records; Records to be**
14 **Kept for Prescribed Period.**

15 (a) The Commission may, at any time, examine the books and records of any
16 marijuana producer, and may appoint auditors, investigators and other employees that the
17 Commission considers necessary to enforce its powers and perform its duties under this
18 Act.

19 (b) Every marijuana producer shall maintain and keep for two years all records,
20 books and accounts required by this Act and shall provide copies of those records, books
21 and accounts to the Commission when requested by the Commission.

22 **Section 144. Failure to Maintain Records.**

23 (a) No marijuana producer shall falsify the Statement required by Section 140 of
24 this Act.

25 (b) No person shall:

26 (1) Refuse to permit the Commission or any of its representatives to make
27 an inspection of the books and records authorized by this Act;

28 (2) Fail to keep books of account prescribed by the Commission or
29 required by this Act;

1 (3) Fail to preserve the books for five years for inspection of the
2 Commission; or

3 (4) Alter, cancel or obliterate entries in the books of account for the
4 purpose of falsifying any record required by this Act to be made, maintained or
5 preserved.

6 **Section 145. Importing and Exporting Marijuana Prohibited.**

7 (a) Marijuana items may not be imported into this Commonwealth or exported
8 from this Commonwealth by any licensee or licensee representative unless permitted by
9 the Commission. The Commission may not pass a regulation permitting the importation
10 or exportation of Marijuana Items unless the Attorney General certifies to the
11 Commission that the importation and exportation of marijuana items will not violate
12 federal law.

13 (b) A violation of subsection (a) of this section is:

14 (1) Punishable by up to ten ~~five~~ years imprisonment and a fine of not less
15 than \$25,000 ~~up to \$5,000~~ if the importation or exportation is for consideration; or

16 (2) Punishable by up to five ~~one~~ years imprisonment and a fine of not less
17 than ~~up to~~ \$5,000 if the importation or exportation is not for consideration.

18 **Section 146. Marijuana may not be Given as a Prize.**

19 Marijuana items may not be given as a prize, premium or consideration for a
20 lottery, contest, game of chance or skill, or competition of any kind.

21 **Section 147. Providing Marijuana to Intoxicated Person; Allowing**
22 **Consumption by Minor on Property.**

23 (a) A person may not sell, give or otherwise make available any marijuana items
24 to any person who is visibly intoxicated.

25 (b) (1) A person who exercises control over private real property may not
26 knowingly allow any other person under the age of 21 years to consume
27 marijuana items on the property, or allow any other person under the age of 21
28 years to remain on the property if the person under the age of 21 years consumes
29 marijuana items on the property.

1 (2) This subsection:

2 (i) Applies only to a person who is present and in control of the
3 location at the time the consumption occurs; and

4 (ii) Does not apply to the owner of rental property, or the agent of
5 an owner of rental property, unless the consumption occurs in the
6 individual unit in which the owner or agent resides.

7 (iii) Does not apply if the person under the age of 21 has a valid
8 recommendation for marijuana issued by a doctor licensed in the Northern
9 Mariana Islands, or by a country of origin for the non-CNMI resident
10 patient.

11 **Section 148. Misrepresentation by Licensee and Others; Maintenance of**
12 **Disorderly Conduct.**

13 (a) No person shall make false representations or Statements to the Commission
14 in order to induce or prevent action by the Commission.

15 (b) No licensee of the Commission shall maintain a noisy, lewd, disorderly or
16 insanitary establishment or supply impure or otherwise deleterious marijuana items.

17 (c) No licensee of the Commission shall misrepresent to a customer or to the
18 public any marijuana items.

19 **Section 149. Attempted Purchase of Marijuana by Person Under 21; Entry**
20 **of Licensed Premises by Person Under 21.**

21 (a) A person under 21 years of age may not attempt to purchase marijuana items.

22 (b) Except as authorized by rule or as necessitated in an emergency, a person
23 under 21 years of age may not enter or attempt to enter any portion of a licensed premises
24 that is posted or otherwise identified as being prohibited to the use of minors.

25 (c) A person who violates subsection (a) or (b) of this section commits a violation
26 punishable by a fine of up to \$250.

27 (d) In addition to and not in lieu of any other penalty established by law, a person
28 under 21 years of age who violates subsection (a) of this section through
29 misrepresentation of age may be required to perform community service and the court

1 shall order that the person's driving privileges and right to apply for driving privileges be
2 suspended for a period not to exceed one year. If a court has issued an order suspending
3 driving privileges under this section, the court, upon petition of the person, may withdraw
4 the order at any time the court deems appropriate.

5 (e) If a person cited under this section is at least 13 years of age but less than 21
6 years of age at the time the person is found in default for failure to appear, in addition to
7 and not in lieu of any other penalty, the court shall issue notice to the Department of
8 Motor Vehicles to suspend the person's driving privileges for no less than six months and
9 no more than one year.

10 (f) The prohibitions of this section do not apply to a person under 21 years of age
11 who is acting under the direction of the Commission or under the direction of
12 Commonwealth or local law enforcement agencies for the purpose of investigating
13 possible violations of laws prohibiting sales of marijuana items to persons who are under
14 21 years of age.

15 (g) The prohibitions of this section do not apply to a person under 21 years of age
16 who has a valid recommendation for marijuana issued by a doctor licensed in the
17 Northern Mariana Islands, or by a country of origin for the non-CNMI resident patient.

18 **Section 150. Compliance with Standards.**

19 (a) No marijuana items shall be sold or offered for sale within this
20 Commonwealth unless such marijuana items comply with the minimum standards fixed
21 pursuant to law.

22 (b) The Commission may require a marijuana producer, marijuana processor, or
23 marijuana wholesaler to provide a laboratory analysis demonstrating to the satisfaction of
24 the Commission that particular marijuana items comply with the minimum standards in
25 this Commonwealth. The Commission may also require marijuana retailers and
26 marijuana lounges to provide laboratory analysis of marijuana items for inspection and
27 investigatory purposes. The Commission may also gather random samples of marijuana
28 items from marijuana establishments for inspection and investigatory purposes.

29 (c) No marijuana items offered for sale within this Commonwealth may be altered

1 or tampered with in any way by any person not licensed to do so by the Commission.

2 (d) The Commission may prohibit the sale of any marijuana items for a
3 reasonable period of time while it is determining whether the marijuana items comply
4 with minimum standards in this Commonwealth.

5 (e) The Commission shall by regulation prohibit the sale of any marijuana items
6 during elections.

7 **Section 151. Use of Misleading Mark or Label on Container; Injurious or**
8 **Adulterated Ingredients; and Labeling Requirements.**

9 (a) No licensee shall use or allow the use of any mark or label on the container of
10 any marijuana items which are kept for sale, if the container does not precisely and
11 clearly indicate the nature of its contents or in any way might deceive any customer as to
12 the nature, composition, quantity, age or quality of such marijuana items. Marijuana
13 items that have been tested and satisfactorily complied with the minimum standards set
14 forth by the Commission shall bear a label that reads: "CERTIFIED"; and whereas, in the
15 absence of a marijuana testing facility or in the absence of testing a marijuana item,
16 marijuana establishments are required to mark or label the marijuana item with a
17 disclaimer that clearly reads: "UNTESTED PRODUCT". All marijuana items which are
18 kept for sale shall bear a label that reads: "This product has not been evaluated by the
19 FDA."

20 (b) The Commission may prohibit any licensee from selling any brand of
21 marijuana items which in its judgment is deceptively labeled or branded as to content, or
22 contains injurious or adulterated ingredients.

23 (c) The Commission must, by regulation, specify and require marijuana
24 establishments to comply with labeling standards and container standards when selling or
25 distributing marijuana, marijuana extracts, or marijuana products at a marijuana
26 establishment. Furthermore, the Commission may require the delivery of educational
27 materials to consumers who purchase marijuana products. Marijuana products' labels and
28 containers must include the following:

29 (1) The length of time it typically takes for a product to take effect;

1 (2) The amount of marijuana the product is considered the equivalent to;

2 (3) Ingredients and possible allergens;

3 (4) A nutritional fact panel;

4 (5) Opaque, child resistant packaging, which must be designed or
5 constructed to be significantly difficult for children under five years of age to
6 open and not difficult for normal adults to use properly as defined by 16 C.F.R.
7 1700.20 (1995); and

8 (6) Marijuana products must be clearly identifiable, when practicable, with
9 a standard symbol indicating that it contains marijuana; and

10 (7) The Commission shall define the amount of delta-9
11 tetrahydrocannabinol that constitutes a single serving in a marijuana product and
12 the marijuana product must clearly indicate the number of servings in the
13 container.

14 **Section 152. Minimum Age Requirement.**

15 (a) A licensee may not employ any person under 21 years of age in any part of
16 any licensed premises.

17 (b) During any inspection of a licensed premises, the Commission may require
18 proof that a person performing work at the premises is 21 years of age or older. If the
19 person does not provide the Commission with acceptable proof of age upon request, the
20 Commission may require the person to immediately cease any activity and leave the
21 premises until the Commission receives acceptable proof of age. This subsection does not
22 apply to a person temporarily at the premises to make a service, maintenance or repair
23 call or for other purposes independent of the premises operations.

24 (c) If a person performing work has not provided proof of age requested by the
25 Commission under subsection (b) of this section, the Commission may request that the
26 licensee provide proof that the person is 21 years of age or older. Failure of the licensee
27 to respond to a request made under this subsection by providing acceptable proof of age
28 for a person is prima facie evidence that the licensee has allowed the person to perform
29 work at the licensed premises in violation of the minimum age requirement.

Section 153. Mature Marijuana Plants.

(a) Except for licensed marijuana producers and their licensee representatives, no licensee may possess a mature marijuana plant.

(b) No licensee may sell a mature marijuana plant.

Section 154. Use of Marijuana in Public Place Prohibited.

(a) It is unlawful for any person to engage in the use of marijuana items in a public place or in the presence of a minor.

(b) A violation of subsection (a) of this section is punishable by a fine of \$250.

(c) Marijuana Free Zones. It is unlawful for any person who does not possess a valid recommendation for marijuana issued by a physician in the Commonwealth to engage in the use of marijuana or to possess marijuana in any of the following locations:

(1) Any government building;

(i) This provision will not be applicable to any government entity acting to carry out its duties under the law;

(2) Any school or school property, whether public or private;

(3) The Northern Marianas College or any property of the Northern Marianas College, except that the Northern Marianas College may permit the possession or use of marijuana on its premises for purposes of research;

(4) Any business establishment licensed to serve alcohol;

(d) An individual possessing marijuana in accordance with subsection (c) may not possess more than 3.5 grams of marijuana;

(e) A violation of subsection (c) of this section is punishable by a fine of \$500.

(f) Notwithstanding any law to the contrary, the Commission may issue a permit allowing the temporary use of marijuana items to be displayed, possessed, sold, purchased, used and/or consumed in a public or private place for a special event pursuant to the provisions of this Act.

(1) If the permit is for the temporary use of marijuana items to be displayed, possessed, sold, purchased, used and/or consumed in a public or private place for a special event, then the permit will only be issued for the use of

1 marijuana items by authorization of the premise owner, landlord or operator and
2 the permit applicant must describe the date, time and place that marijuana items
3 may be displayed, possessed, sold, purchased, used and/or consumed on the
4 premises; and

5 (2) If the permit is issued for a special event, then the Commission may
6 issue a permit for the displaying, possessing, selling, purchasing, using and/or
7 consuming of marijuana items by individuals, businesses, and others on the
8 premises of the event.

9 (3) The Commission may not issue a permit under this Section for a period
10 greater than ninety (90) days. The Commission must provide a public notice
11 thirty (30) days prior to granting a permit under this Section.

12 (4) The Commission may charge a reasonable fee and require any
13 condition that it deems reasonable or necessary for the issuance of a permit.

14 **Section 155. Possession of Marijuana in Correctional Facility Prohibited.**

15 (a) It is unlawful for any person to possess or engage in the use of marijuana
16 items in a correctional facility.

17 (b) A violation of subsection (a) of this section is punishable by up to five years
18 imprisonment and a fine of up to \$5,000.

19 **Section 156. Unlawful Marijuana Extraction; Penalties.**

20 (a) No person, other than a licensed marijuana processor complying with this act
21 and the Commission regulations, may perform solvent-based extractions on marijuana
22 using solvents other than water or vegetable glycerin.

23 (b) A person who violates this section is guilty of a felony punishable by up to
24 three years in prison and a fine of up to \$5,000.

25 **Section 157. Marijuana Laws Supersede and Repeal Inconsistent CNMI**
26 **Laws.**

27 This Act, designed to operate uniformly throughout the Commonwealth, shall be
28 paramount and superior to and shall fully replace and supersede any and all CNMI laws
29 inconsistent with it. Such laws are repealed.

1 **Section 158. Authority of Local Legislative Delegations.**

2 (a) Local Legislative Delegations may adopt reasonable time, place and manner
3 regulations of the nuisance aspects of establishments that sell marijuana to consumers.

4 (b) The authority granted to Local Legislative Delegations by this section is in
5 addition to, and not in lieu of, the authority granted by Commonwealth law and the
6 Constitution of this Commonwealth.

7 **Section 159. Duty of Law Enforcement to Enforce and Inform the Attorney**
8 **General.**

9 The Department of Public Safety and all law enforcement officers within the
10 Commonwealth shall enforce this Act and assist the Commission in detecting violations
11 of this Act and apprehending offenders. Each such enforcing officer having notice,
12 knowledge or reasonable ground of suspicion of any violation of this Act shall
13 immediately notify the Department of Public Safety, the Commission, and the Office of
14 the Attorney General.

15 **Section 160. Confiscation of Marijuana and Property.**

16 (a) Whenever any officer arrests any person for violation of this Act, the officer
17 may take into possession all marijuana items, and other property which the person so
18 arrested has in possession, or on the premises, which is apparently being used in violation
19 of sections of this Act.

20 (b) If the person so arrested is convicted, and it is found that the marijuana items,
21 and other property has been used in violation of Commonwealth law:

22 (1) The marijuana items shall be forfeited to an appropriate
23 Commonwealth or local law enforcement agency, and shall be delivered by the
24 court or officer to the law enforcement agency; and

25 (2) Subject to other applicable law, the other property shall be forfeited to
26 the Commission, and shall be delivered by the court or officer to the Commission.

27 (c) The Commission is authorized to destroy or make such other disposition of
28 any property it receives under paragraph (2) of subsection (b) of this section as it
29 considers to be in the public interest. In any such case, all such property, including

1 lockers, chairs, tables, cash registers, music devices, gambling devices, furniture,
 2 furnishings, equipment and facilities for the storing, serving or using of marijuana items
 3 shall be confiscated and forfeited to the Commonwealth, and the clear proceeds shall be
 4 deposited with the General Fund.

5 **Section 161. Duty to Notify the Commission of Conviction of Licensee.**

6 The CNMI Superior Court and the Attorney General, immediately upon the
 7 conviction of any licensee of the Commission of a violation of any provision of this Act
 8 or the violation of any other law of this Commonwealth or local law of any municipality
 9 therein, in which violation marijuana had any part, shall notify the Commission thereof.
 10 The Attorney General or any law agency shall notify the Commission of any acts,
 11 practices or other conduct of any such licensee which may be subversive of the general
 12 welfare or contrary to the spirit of this Act and shall recommend such action necessary to
 13 revoke the license of the licensee.

14 **Section 162. Property and Places as Common Nuisances.**

15 Any room, house, building, boat, structure or place of any kind where marijuana
 16 items are sold, manufactured, bartered or given away in violation of Commonwealth law,
 17 or where persons are permitted to resort for the purpose of using marijuana items in
 18 violation of Commonwealth law, or any place where marijuana items are kept for sale,
 19 barter or gift in violation of Commonwealth law, and all marijuana items or property
 20 subject to confiscation under this Act kept and used in such place is a common nuisance.
 21 Any person who maintains or assists in maintaining such common nuisance or knowingly
 22 suffers or permits such nuisance to exist in any place of which the person is the owner,
 23 manager or lessor, shall be guilty of a violation of this Act.

24 **Section 163. Lien on Place used to Unlawfully Handle Marijuana.**

25 If it is proved that the owner of any building or premises knowingly has suffered
 26 the same to be used or occupied for the manufacture, sale or possession of marijuana
 27 items, contrary to the provisions of this Act, such building or premises are subject to a
 28 lien for, and may be sold to pay all fines and costs assessed against their occupants for
 29 any violation of this Act. The lien shall be enforced immediately by civil action in any

1 court having jurisdiction, by the Attorney General.

2 **Section 164. Governor Authorized to Suspend License.**

3 In case of invasion, disaster, insurrection, riot, or imminent danger thereof, the
4 Governor may, for the duration of such invasion, disaster, insurrection, riot, or imminent
5 danger thereof, immediately suspend without notice any license in the Commonwealth
6 granted under this Act.

7 **Section 165. Penalties.**

8 (a) Except where other punishment is specifically provided for in sections of this
9 Act, violation of any provision of this Act is punishable by up to one (1) year
10 imprisonment and a fine of up to \$2,500.00.

11 (b) Violation of any regulation promulgated pursuant to this Act is punishable by
12 up to one (1) year imprisonment and a fine of up to \$2,500.00.

13 **Section 166. Use of Marijuana While Driving; Penalty.**

14 (a) A person commits the offense of use of marijuana items while driving if the
15 person uses any marijuana items while driving a motor vehicle upon a highway or
16 operating a boat, vessel, aircraft, or other motorized device used for transportation.

17 (b) The offense described in this section, use of marijuana items while driving,
18 may be fined of up to \$500, or have his or her driver's license suspended for up to six
19 months, or both, for the first violation.

20 (c) Any person found in violation of this section may be fined not more than
21 \$1,000 or have his or her driver's license suspended for up to one year, or both for each
22 second or subsequent violation.

23 (d) A prosecution for using marijuana items while driving a motor vehicle does
24 not preclude a prosecution for driving under the influence of marijuana items while
25 driving a motor vehicle.

26 **Section 167. Unlawful Manufacture of Marijuana.**

27 (a) Except for licensees and licensee representatives, and except for a person
28 acting within the scope of and in compliance with Section 106(a) of this Act, it is
29 unlawful for any person to manufacture marijuana.

1 (b) Unlawful manufacture of marijuana is punishable by a fine of up to \$500, if a
2 person 21 years of age or older manufactures marijuana at a household for
3 noncommercial purposes or at a cultivation site and the total number of marijuana plants
4 exceeds six (6) ~~twelve (12)~~ mature marijuana plants but does not exceed fifteen mature
5 marijuana plants. If a person has a previous conviction for violation of this section, then
6 unlawful manufacture of marijuana punishable by this subsection is punishable by
7 imprisonment up to six (6) months and a fine of up to \$1,000.

8 (c) Unlawful manufacture of marijuana is punishable by up to five (5) years
9 imprisonment and a fine of up to \$5,000, if a person 21 years of age or older
10 manufactures marijuana at a household for noncommercial purposes or at a cultivation
11 site and the total number of homegrown marijuana plants is more than fifteen and less
12 than fifty.

13 (d) Unlawful manufacture of marijuana is punishable by ten (10) years
14 imprisonment and a fine of up to \$10,000, if a person 21 years of age or older
15 manufactures marijuana at a household for noncommercial purposes or at a cultivation
16 site and the total number of homegrown marijuana plans is fifty or more.

17 (e) As used in this section, the term “household” has the meaning given to them
18 in this Act.

19 **Section 168. Unlawful Delivery of Marijuana.**

20 (a) Except for licensees and licensee representatives as defined in this Act, and
21 except for a person acting within the scope of and in compliance with Section 106(a) of
22 this Act, it is unlawful for any person to deliver marijuana.

23 (b) Unlawful delivery of marijuana is a:

24 (1) Punishable by up to one (1) year imprisonment and a fine of up to
25 \$5,000 if the delivery is for consideration.

26 (2) Punishable by up to six (6) months imprisonment and a fine of up to
27 \$1,000 if the delivery is for no consideration.

28 (c) Notwithstanding subsection (b) of this section, unlawful delivery of marijuana
29 is punishable by a fine of \$500 if the delivery is for no consideration and consists of less

1 than one avoirdupois ounce of the dried leaves, stems and flowers of the plant Cannabis
2 family Moraceae.

3 (d) Notwithstanding subsections (b) and (c) of this section, unlawful delivery of
4 marijuana is a:

5 (1) Punishable by up to five (5) years imprisonment and a fine of up to
6 \$5,000 if the delivery is to a person under 18 years of age and the defendant is at
7 least 18 years of age and is at least three years older than the person to whom the
8 marijuana is delivered and the defendant was previously convicted of any crime
9 involving the sale or delivery of marijuana to a person under 18 years of age; or

10 (2) Punishable by up to one (1) year imprisonment and a fine of up to
11 \$5,000 if the delivery is a person under 18 years of age and the defendant is at
12 least 18 years of age and is at least three years older than the person to whom the
13 marijuana is delivered; or

14 (3) Punishable by up to six (6) months imprisonment and a fine of up to
15 \$1,000 if the delivery:

16 (i) Is for consideration;

17 (ii) Consists of more than four ounces of the dried leaves, stems
18 and flowers of the plant Cannabis family Moraceae; and

19 (iii) Is to a person who is 18 years of age or older, but less than 21
20 years of age unless the person has a valid doctor's recommendation for the
21 use of marijuana for medicinal purposes.

22 (4) Punishable by up to thirty (30) days imprisonment and a fine of up to
23 \$500 if the delivery:

24 (i) Is for no consideration;

25 (ii) Consists of less than five grams of the dried leaves, stems and
26 flowers of the plant Cannabis family Moraceae; and

27 (iii) Is to a person who is 18 years of age or older.

28 **Section 169. Unlawful Possession of Marijuana.**

29 (a) It is unlawful for any person under 21 years of age knowingly or intentionally

1 to possess marijuana or marijuana product unless the person has a valid recommendation
2 for marijuana issued by a doctor licensed in the Northern Mariana Islands, or by a
3 country of origin for the non-CNMI resident patient.

4 (b) Any person under 21 years of age may be penalized as follows:

5 (1) Any person who possesses more than one ~~four~~ ounce but less than 5
6 ounces shall be fined not more than \$50.

7 (2) Any person possessing more than five ounces but less than 2.2 pounds
8 may be sentenced to a term of imprisonment of not more than three months, a fine
9 of not more than \$500, or both.

10 (3) Any person possessing 2.2 pounds or more of marijuana may be
11 sentenced to a term of not more than one year, a fine of not more than \$1,000, or
12 both.

13 (c) Except for licensees and licensee representatives, it is unlawful for any person
14 21 years of age or older knowingly or intentionally to possess:

15 (1) More than one ~~four~~ ounces of marijuana in a public place.

16 (2) More than Sixteen ounces of solid marijuana products allowed in a
17 public place.

18 (3) More than 72 ounces of liquid marijuana products in a public place.

19 (4) More than 5 ~~40~~ grams of marijuana extracts in a public place.

20 (d) A violation of subsection (c) of this section is:

21 (1) Punishable by up to five (5) years imprisonment and a fine of up to
22 \$5,000.00, if the amount possessed is more than four times the applicable
23 maximum amount specified in subsection (c) of this section; or

24 (2) Punishable by up to one (1) year imprisonment and a fine of up to
25 \$2,500.00, if the amount possessed is more than two times, but not more than four
26 times, the applicable maximum amount specified in subsection (c) of this section;
27 or

28 (3) Punishable by up to thirty (30) days imprisonment and a fine of up to
29 \$1,250.00, if the amount possessed is not more than two times the applicable

1 maximum amount specified in subsection (c) of this section.

2 **Section 170. Marijuana Tax and Fees.**

3 (a) The Northern Marianas Commonwealth Legislature (Legislature) shall enact
4 taxes and fees to be levied upon marijuana items sold or otherwise transferred by a
5 marijuana producer to a marijuana processor or to a marijuana wholesaler or retailer prior
6 to July 1, 2019 and at a rate to be determined by the Legislature thereafter, and shall
7 direct the Department of Finance to establish procedures for the collection of all taxes
8 levied.

9 (b) The Legislature shall enact a marijuana excise tax to be levied and collected
10 equal to a percentage of the selling price on each retail sale in the Commonwealth of
11 marijuana items. This tax is the obligation of the licensed marijuana retailer, and is
12 separate and in addition to general Commonwealth and local taxes that apply to retail
13 sales of tangible personal property, and is part of the total retail price to which general
14 Commonwealth and local taxes apply.

15 (c) Any marijuana item subject to tax under this section may be exempted from
16 such tax if such marijuana item or product is purchased by a person with a valid
17 identification and a medical form or any documentation validating the person as a
18 medical marijuana patient.

19 **Section 171. Local Control.**

20 (a) Local Legislative Delegations, in accordance with 1 CMC §§ 1401-1409, may
21 enact marijuana regulation laws, as provided by this Section, pertaining exclusively to
22 matters within their respective senatorial district.

23 (b) Notwithstanding any law to the contrary, Local Legislative Delegations may
24 prohibit the operation of marijuana establishments through enactment of a local law
25 enacted by the members from the respective senatorial districts; provided that any local
26 law enacted to prohibit the operation of marijuana establishments in any senatorial
27 district must appear on a general election ballot and be approved by the people of the
28 respective senatorial district. Upon approval of the local law by a simple majority of the
29 voters in the election, the local law will immediately become law. If disapproved, the

1 local law will be void and shall not become law.

2 (c) Local Legislative Delegations may enact local laws not in conflict with this
3 Act or with regulations enacted pursuant to this Act, governing the time, place, manner,
4 and number of marijuana establishments. The Local Legislative Delegation may establish
5 civil penalties for violation of a local law governing the time, place, and manner of a
6 marijuana establishment that may operate in such senatorial district.

7 (d) Local Legislative Delegations may designate a local regulatory authority that
8 is responsible for processing applications submitted for a registration to operate a
9 marijuana establishment within the boundaries of such senatorial district.

10 (e) Local Legislative Delegations may establish a schedule of annual operating
11 and registration fees for marijuana establishments.

12 **Section 172. Work Force Participation by U.S. Citizens and CNMI and U.S.**
13 **Permanent Residents.**

14 Notwithstanding 3 CMC §§ 4525 and 4526, the personnel ~~full-time~~ workforce of
15 any employer licensed to do business pursuant to this Act shall consist of 100% U.S.
16 citizens, U.S. permanent residents, and CNMI permanent residents and their immediate
17 relatives. ~~Provided that employers may hire non-citizen workforce for part-time sub-~~
18 ~~contractual work within a licensed marijuana establishment.~~

19 **Section 173. Interpretation.**

20 This Act is modeled on Oregon’s marijuana laws. The Commonwealth Judiciary,
21 the Attorney General, the Commission, and any other government entity of the
22 Commonwealth may consider case precedent in Oregon to be persuasive when
23 interpreting this Act.

24 **Section 174. Operative Date.**

25 Notwithstanding any law to the contrary, Sections 104 to 170 of this Act will
26 become operative on July 1, 2019.”

27 **Section 3. Amendment.** 6 CMC § 3177 is amended by adding a new subsection

28 (h) to read as follows:

29 “(h) Licensed marijuana lounges to allow for on-site consumption of

1 marijuana, marijuana extracts, and marijuana products.”

2 **Section 4. Repealer.** The following statutes are repealed and the remaining
3 sections shall be renumbered accordingly:

4 “(a) 6 CMC § 2114(c)(13);

5 (b) 6 CMC § 2141(c); and

6 (c) 6 CMC § 2142(c).”

7 **Section 5. Severability.** If any provision of this Act or the application of any
8 such provision to any person or circumstance should be held invalid by a court of
9 competent jurisdiction, the remainder of this Act or the application of its provisions to
10 persons or circumstances other than those to which it is held invalid shall not be affected
11 thereby.

12 **Section 6. Savings Clause.** This Act and any repealer contained herein shall not
13 be construed as affecting any existing right acquired under contract or acquired under
14 statutes repealed or under any rule, regulation, or order adopted under the statutes.
15 Repealers contained in this Act shall not affect any proceeding instituted under or
16 pursuant to prior law. The enactment of the Act shall not have the effect of terminating,
17 or in any way modifying, any liability, civil or criminal, which shall already be in
18 existence on the date this Act becomes effective.

19 **Section 7. Effective Date.** This Act shall take effect upon its approval by the
20 Governor or becoming law without such approval.

Date: 08/03/17

Introduced By: /s/ _____
Sen. Sixto K. Igisomar

Reviewed for Legal Sufficiency by:

/s/ Antonette R. Villagomez
Senate Legal Counsel