



# House of Representatives

20<sup>th</sup> NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

P.O. BOX 500586  
SAIPAN, MP 96950

August 8, 2018

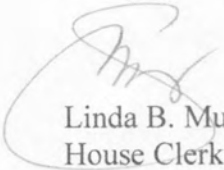
HOUSE  
FILE

The Honorable Arnold I. Palacios  
President  
The Senate  
Twentieth Northern Marianas  
Commonwealth Legislature  
Capitol Hill  
Saipan, MP 96950

Dear Senate President Palacios:

I have the honor of transmitting herewith for Senate action **H.B. No. 20-178, HD4**, entitled: **"To regulate cannabis in the Northern Mariana Islands; and for other purposes."**, which was passed by the House of Representatives on Final Reading, by the majority vote of the members present, a quorum being present, during its First Day, Fourth Regular Session on August 8, 2018.

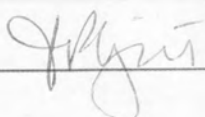
Sincerely yours,



Linda B. Muña  
House Clerk

Attachment

*Transmittal to the SENATE*

Received by: 

Date: 8/8/18

Time: 3:21 pm

**Twentieth Northern Marianas Commonwealth Legislature**

**IN THE HOUSE OF REPRESENTATIVES**

**AUGUST 8, 2018**

**Fourth Regular Session, 2018**

**H. B. 20-178, HD4**

---

**A BILL FOR AN ACT**

To regulate cannabis in the Northern Mariana Islands; and for other purposes.

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

1       **Section 1. Findings.** The Legislature finds that 29 U.S. States, including  
2       the territory of Guam, Puerto Rico and the District of Columbia have legalized  
3       cannabis or marijuana for medical purposes since 1996. Furthermore, 9 states,  
4       including the District of Columbia have legalized marijuana for personal use since  
5       2012. The number of states and territories that elected to regulate marijuana in a  
6       manner similar to alcohol is expected to continue to grow as public support for  
7       marijuana legalization, nationally, is currently around 60% and rising.

8       The Legislature further finds that states that have set up regulated markets  
9       for marijuana with time, age, and place of sale restrictions, product testing, labeling,  
10      and other precautions relative to providing a safe product for responsible adult  
11      consumers, have observed real and significant benefits to public health, safety, and  
12      quality of life for all residents. These benefits include; (1) alternative treatment for  
13      pain and suffering for those afflicted with debilitated illnesses, such as post-

1 traumatic stress disorder (PTSD), cancer, epilepsy, and a host of other conditions,  
2 many of which are not effectively treated with synthetic prescription medications.  
3 In this respect, marijuana has become a life-saving and enhancing medical  
4 alternative; (2) a 25% reduction in accidental overdoses, addiction, and abuse, as  
5 medical marijuana has provided a safer alternative to far more harmful and  
6 dangerous prescription narcotics, providing evidence that approving the  
7 responsible adult use of marijuana can combat the deadly opioid crisis currently  
8 experienced in the United States. Furthermore, there is real evidence to suggest  
9 that allowing for the adult use of marijuana will help to alleviate the level of  
10 methamphetamine (ICE) use and abuse in the CNMI; (3) decreases in youth access  
11 to marijuana and usage rates among the youth; (4) decreases in violent crime as  
12 marijuana is manufactured and sold in approved facilities by licensed businesses;  
13 (5) decreases in fatal car crashes as marijuana becomes a popular, and much safer,  
14 alternative to alcohol and other recreational drugs; and (6) substantial revenues  
15 generated by the growth, processing, and sale of marijuana and hemp products, with  
16 the introduction of the legal marijuana industry that has created over 100,000 new  
17 jobs, nationally, providing funding for many government and social programs

18       The Legislature finds that according to the World Health Organization  
19 (WHO), the CNMI. has the second highest marijuana usage rates in the world, at  
20 22.5%. In essence, approximately 1 in 4 persons in the CNMI either grow or  
21 consume marijuana for medical, agricultural, and personal purposes, despite the  
22 federal and local prohibition of the plant. Meanwhile, reports of problems

1 associated with marijuana use are close to none. In 2015, Senate Bill 19-06 was  
2 introduced to allow for the medical use of marijuana, which received overwhelming  
3 support during public hearings for the bill. In addition, many of the citizens who  
4 came forth to provide their testimony shared their concern that due to the small  
5 number of citizens who would qualify for the medical use of marijuana, a medical-  
6 only policy would not allow for the economy of scale that would ensure a viable  
7 program that could economically support the production, manufacturing,  
8 regulating, and retailing of marijuana products. The individuals with medical needs  
9 highly recommended access to marijuana for therapy and medicinal use by way of  
10 simply boiling the leaves or roots in hot water and to consume as tea. In essence,  
11 many CNMI residents support a fully regulated market for the responsible adult use  
12 of marijuana, which does not penalize the residents for using a substance that is far  
13 safer than alcohol. Public feedback during the public hearing of Senate Bill 19-06  
14 highly recommended marijuana legislation that will decriminalize or allow for  
15 personal and commercial use, and for a hemp industry. Furthermore, a similar  
16 legislation, namely Senate Bill No. 20-62, was introduced by Senator Sixto K.  
17 Igisomar in 2017 to allow for personal, medicinal, and commercial use of cannabis  
18 or marijuana and hemp industry in the CNMI. Throughout its journey through the  
19 legislative process, majority of the written and/or oral feedback received by the  
20 Legislature highly recommended the passage of Senate Bill No. 20-62. Due to  
21 some revenue-generating provisions contained in the Senate Bill, the legislation  
22 was introduced in the House of Representatives in order to allow for these revenue-



1 generating provisions to be in accordance with Article II, Section 5(a) of the  
2 Commonwealth Constitution.

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

1 residents.

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

5                   **“CHAPTER 20. CANNABIS REGULATION.**

6                   **Section 101. Short Title.** This Act may be cited as the  
7 “Taulamwaar Sensible CNMI Cannabis Act of 2018.”

8                   **Section 102. Purposes.** The Legislature declares that the purposes  
9 of this Act are:

10                   (a) To create a CNMI Cannabis Commission;

11                   (b) To allow the personal, medicinal, and commercial use of  
12 cannabis or marijuana in the CNMI provided that such activity occurs  
13 pursuant to this chapter or pursuant to the laws of a Senatorial District;

14                   (c) To create a hemp industry for the CNMI;

15                   (d) To eliminate the problems caused by the prohibition and  
16 uncontrolled manufacture, delivery, and possession of marijuana in this  
17 Commonwealth;

18                   (e) To protect the safety, welfare, health, and peace of the people of  
19 this Commonwealth by prioritizing the Commonwealth’s limited law  
20 enforcement resources in the most effective, consistent, and rational way;

21                   (f) To permit persons licensed, controlled, and regulated by the  
22 CNMI Cannabis Commission to legally manufacture and sell marijuana to

1 persons 21 years of age and older subject to the provisions of this Act;

2 (g) To permit doctors and their patients to make decisions about the  
3 use of medicinal marijuana without undue governmental interference;

4 (h) To establish a comprehensive regulatory framework concerning  
5 marijuana under existing Commonwealth law;

6 (i) To declare that in the interest of enacting rational policies for the  
7 treatment of all variations of the cannabis plant – hemp should be regulated  
8 separately from strains of cannabis with higher delta-9  
9 tetrahydrocannabinol (THC) concentrations of 0.3%; and

10 (j) To declare that it is necessary to ensure consistency and fairness  
11 in the application of this Act throughout the Commonwealth of the Northern  
12 Marianas Islands; therefore, the matters addressed by this Act are, except as  
13 specified herein, matters of the Commonwealth of the Northern Marianas  
14 Islands' concern.

15 **Section 103. Legislative Intent.**

16 The Legislature intends that the provisions of this Act, together with  
17 the other provisions of existing Commonwealth law, will:

18 (a) Provide the people of the Northern Mariana Islands with the  
19 opportunity to establish an industry based on the production and potential  
20 exportation of marijuana should the federal government choose to legalize  
21 marijuana;

22 (b) Prevent the distribution of marijuana to minors and persons

1 under 21 years of age;

2 (c) Prevent revenue from the sale of marijuana from going to  
3 criminal enterprises, gangs, and cartels;

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

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

9 (f) Prevent violence and the use of firearms in the cultivation and  
10 distribution of marijuana;

11 (g) Prevent the unpermitted growing of marijuana on public lands  
12 and the attendant public safety and environmental dangers posed by  
13 marijuana production on public lands;

14 (i) Prevent the possession and use of marijuana on federal property;  
15 and

16 (j) Prevent drugged driving and the exacerbation of other adverse  
17 public health consequences associated with marijuana use.

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

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

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

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

5 (d) To prohibit a party to a federal contract or a person applying to  
6 be a party to a federal contract from prohibiting the manufacture, delivery,  
7 possession, or use of marijuana to the extent necessary to comply with the  
8 terms and conditions of the contract or to satisfy federal requirements for  
9 the contract;

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

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

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

14 (a) “Cannabis” means a genus of flowering plants that includes three  
15 putative varieties; cannabis sativa, cannabis indica, and cannabis ruderalis.  
16 The cannabis genus has two main species popularly known as cannabis  
17 sativa and cannabis indica:

18 (1) Cannabis sativa plants are known to stretch to  
19 extraordinary heights of up to 20 feet when grown outside, and have  
20 much longer vegetation periods. Once the plant begins to flower, it  
21 can take anywhere from ten to sixteen weeks to fully mature. Since  
22 vegetation periods are so long, these plants typically produce a much



1 higher yield than indica strains (3 ounces to 1 pound per plant), but  
2 possess a lower THC percentage than indica on average (around 12-  
3 16%);

4 (2) Cannabis indica are short and stout in composure  
5 (2- 4 feet tall), and typically yield smaller (1.5 to 2.5 ounces per  
6 plant), higher quality crops (~18% THC) than cannabis sativa. The  
7 plants are believed to have originated in the Middle East (Pakistan  
8 & Afghanistan), and thrive in cooler environments. Indica strains  
9 are typically darker green than sativa and have shorter, fatter leaves.

10 (3) The main active ingredient in cannabis is called delta-9  
11 tetrahydrocannabinol, commonly known as THC. This is the part of  
12 the plant that gives the “high.” There is a wide range of THC  
13 potency between cannabis products.

14 (4) Cannabis is used in three main forms: marijuana, hashish  
15 and hash oil. Marijuana is made from dried flowers and leaves of the  
16 cannabis plant. It is the least potent of all the cannabis products and  
17 is usually smoked or made into edible products like cookies or  
18 brownies. Hashish is made from the resin (a secreted gum) of the  
19 cannabis plant. It is dried and pressed into small blocks and smoked.  
20 It can also be added to food and eaten. Hash oil, the most potent  
21 cannabis product, is a thick oil obtained from hashish. It is also  
22 smoked.

1 (5) Cannabis is usually smoked in hand-rolled cigarettes  
2 (known as "joints") or in special water pipes ("bongs"). These pipes  
3 or bongs can be bought or made from things such as orange juice  
4 containers, soft drink cans or even toilet paper rolls.

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

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

10 (d) "Commission" means the Cannabis Commission.

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

13 (f) "Commonwealth" or "CNMI" means the Commonwealth of the  
14 Northern Mariana Islands.

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

19 (h) "Debilitating medical condition" means:

20 (1) cancer, glaucoma, positive status for human  
21 immunodeficiency virus (HIV), acquired immune deficiency  
22 syndrome (AIDS), hepatitis C, amyotrophic lateral sclerosis,

1 Crohn's disease, ulcerative colitis, agitation of Alzheimer's disease,  
2 post-traumatic stress disorder, or the treatment of these conditions;

3 (2) a chronic or debilitating disease or medical condition or  
4 its treatment that produces one or more of the following: stroke,  
5 diabetes, Parkinson's disease, Wilson's disease, traumatic brain  
6 injury, ADD/ADHD, muscular dystrophy (MD), cerebral palsy,  
7 asthma, and other types of immune-modulated inflammatory  
8 diseases, cachexia or wasting syndrome; severe, debilitating pain;  
9 severe nausea; seizures; or severe and persistent muscle spasms,  
10 including, but not limited to, those characteristic of multiple  
11 sclerosis; or

12 (3) any other serious medical condition or its treatment  
13 provided for by the Commission regulation in consultation with the  
14 Commonwealth Healthcare Corporation (CHCC) or other medical  
15 professionals.

16 (i) "Division of Agriculture" means the Department of Lands and  
17 Natural Resources Division of Agriculture.

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

22 (k) (1) "Financial consideration," except as provided in paragraph

1 (2) (b) of this subsection, means value that is given or received directly or  
2 indirectly through sales, barter, trade, fees, charges, dues, contributions or  
3 donations.

4 (2) "Financial consideration" does not mean any of the following:

5 (i) Homegrown marijuana made by another person.

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

7 (l) "Hemp" means the plant of the genus cannabis and any part of  
8 the plant, whether growing or not, with a delta9-tetrahydrocannabinol  
9 concentration that does not exceed three tenths percent (0.3%) on a dry  
10 weight basis for any part of the plant cannabis, or per volume or weight of  
11 marijuana product, or the combined percent of delta-9-tetrahydrocannabinol  
12 and tetrahydrocannabinolic acid in any part of the plant cannabis regardless  
13 of moisture content.

14 (m) "Homegrown" or "homemade" means grown or made by a  
15 person 21 years of age or older for noncommercial purposes.

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

21 (o) "Homegrown marijuana registry card" means a card issued by  
22 the Commission to a person who is 21 years of age or older or a medical

1 marijuana patient that is authorized to produce, process, keep, or store  
2 homegrown marijuana at a household or a cultivation site for  
3 noncommercial purposes.

4 (p) "Household" means a housing unit, and includes any place in or  
5 around the housing unit at which the occupants of the housing unit are  
6 producing, processing, keeping, or storing marijuana, marijuana products,  
7 or marijuana extracts, whether homemade or purchased.

8 (q) "Housing unit" means a house, an apartment, a mobile home, a  
9 group of rooms, or a single room that is occupied as separate living quarters,  
10 in which the occupants live and eat separately from any other persons in the  
11 building and which have direct access from the outside of the building or  
12 through a common hall.

13 (r) "Immature marijuana plant" means a marijuana plant with no  
14 observable flowers or buds.

15 (s) "Licensee" means any person holding a license issued under this  
16 Act, or any person holding a license or permit issued under any regulation  
17 promulgated pursuant to this Act.

18 (t) "Licensee representative" means an owner, director, officer,  
19 manager, employee, agent, or other representative of a licensee, to the extent  
20 such person acts in such representative capacity.

21 (u) "Marijuana" means all parts of the plant of the genus cannabis,  
22 the seeds thereof, and every compound, manufacture, salt derivative,



1 mixture, or preparation of the plant and its seeds whether growing or not,  
2 regardless of moisture content, other than marijuana extracts. "Marijuana"  
3 does not include hemp, nor does it include fiber produced from the stalks,  
4 oil or cake made from the seeds of the plant, sterilized seed of the plant  
5 which is incapable of germination, or the weight of any other ingredient  
6 combined with marijuana to prepare topical or oral administrations, food,  
7 drink, or other product.

8 (v) "Marijuana establishment" means an entity licensed by the  
9 Commission as a marijuana producer, marijuana lounge, marijuana testing  
10 facility, marijuana processor, a marijuana retailer, or a marijuana  
11 wholesaler.

12 (w) "Marijuana extract" or "Marijuana concentrate" means a  
13 product obtained by separating resins from marijuana by solvent extraction,  
14 using solvents other than water or vegetable glycerin, such as butane,  
15 hexane, isopropyl alcohol, ethanol, and carbon dioxide: which is produced  
16 only by a licensed marijuana establishment.

17 (x) (1) "Marijuana flowers" means the flowers of the plant cannabis  
18 family Moraceae.

19 (2) "Marijuana flowers" does not include any part of the plant other  
20 than the flowers.

21 (y) "Marijuana items" means marijuana, marijuana products, and  
22 marijuana extracts.

1 (z) (1) "Marijuana leaves" means the leaves of the plant Cannabis  
2 family Moraceae.

3 (2) "Marijuana leaves" does not include any part of the plant other  
4 than the leaves.

5 (aa) "Marijuana Lounge" means an entity licensed by the  
6 Commission to sell and /or allow for the on-site consumption of marijuana  
7 items.

8 (1) "Class 1" means an entity licensed to sell marijuana items for  
9 on-site consumption.

10 (2) "Class 2" means an entity licensed to allow for the on-site  
11 consumption of marijuana items, but for which the sale of marijuana items  
12 is prohibited.

13 (bb) "Marijuana processor" means a person who processes  
14 marijuana items in this Commonwealth.

15 (cc) "Marijuana producer" means a person who produces marijuana  
16 in this Commonwealth.

17 (dd) (1) "Marijuana products" means products that contain  
18 marijuana or marijuana extracts and are intended for consumption, that  
19 include, but are not limited to being edible, drinkable, or topical.

20 (2) "Marijuana products" does not mean:

21 (i) Marijuana, by itself; or

22 (ii) A marijuana extract, by itself.

1 (ee) "Marijuana retailer" means a person who sells marijuana items  
2 to a consumer in this Commonwealth.

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

6 (gg) "Marijuana wholesaler" means a person who purchases  
7 marijuana items in this Commonwealth for resale to a person other than a  
8 consumer in this Commonwealth, such as a licensed marijuana  
9 establishment.

10 (hh) "Mature marijuana plant" means any marijuana plant that is not  
11 an immature marijuana plant. A mature marijuana plant has observable  
12 flowers or buds.

13 (ii) "Medical marijuana" or "medicinal marijuana" means marijuana  
14 used by a person for medical or medicinal purposes.

15 (jj) "Medical Marijuana patient" means a person who uses  
16 marijuana as recommended by a doctor or other medical authority in the  
17 treatment of a debilitating medical condition or any other medical condition.

18 (kk) "Micro producer" means a person with a micro production  
19 license to produce marijuana in this Commonwealth.

20 (ll) "Minor" means a person under the age of 21 years old for  
21 purposes of this chapter.

22 (mm) "Noncommercial" means not dependent or conditioned upon

1 the provision or receipt of financial consideration.

2 (nn) "Person" means any natural person, corporation, professional  
3 corporation, nonprofit corporation, cooperative corporation, profit or  
4 nonprofit unincorporated association, business trust, limited liability  
5 company, general or limited partnership, joint venture, or any other legal  
6 entity.

7 (oo) "Premises" or "licensed premises" or "marijuana  
8 establishment" means a location licensed under this Act and includes:

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

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

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

19 (pp) (1) "Processes" means:

20 (i) The processing, compounding, or conversion of  
21 marijuana into marijuana products or marijuana extracts;

22 (ii) The processing, compounding, or conversion of

1 marijuana, either directly or indirectly by extraction from substances  
2 of natural origin, or independently by means of chemical synthesis,  
3 or by a combination of extraction and chemical synthesis;

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

5 (iv) The labeling or relabeling of any package or container  
6 of marijuana items.

7 (2) "Processes" does not include:

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

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

13 (qq) (1) "Produces" means the manufacture, planting, cultivation,  
14 growing, or harvesting of marijuana.

15 (2) "Produces" does not include:

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

18 (ii) The cultivation and growing of an immature marijuana  
19 plant by a marijuana processor, marijuana lounge, marijuana  
20 wholesaler, or marijuana retailer if the marijuana processor,  
21 marijuana lounge, marijuana wholesaler, or marijuana retailer  
22 purchased or otherwise received the plant from a licensed marijuana



1 producer.

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

9 (ss) “Sale” or “sold” means:

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

15 (2) If a marijuana producer also holds one or more processor  
16 licenses, one or more wholesale licenses, one or more marijuana  
17 lounge licenses, or one or more retail licenses, a sale of marijuana  
18 flowers, marijuana leaves, or immature marijuana plants will be  
19 deemed to occur if and when the marijuana producer processes or  
20 takes any other action with respect to such marijuana flowers,  
21 marijuana leaves, or immature marijuana plants for which a  
22 processor license, wholesale license, marijuana lounge license, or

1 retail license is required, regardless of whether the marijuana  
2 producer continues to own or possess the marijuana flowers,  
3 marijuana leaves, or immature marijuana plants.

4 (tt) (1) "Useable marijuana" means the dried leaves and flowers of  
5 marijuana.

6 (2) "Useable marijuana" does not include:

7 (A) Marijuana seeds;

8 (B) The stalks and roots of marijuana; or

9 (C) Waste material that is by-product of producing or  
10 processing marijuana.

11 **Section 106. Applicability of Certain Provisions of this Act to**  
12 **Homegrown Marijuana and Homemade Marijuana Products.**

13 (a) Section 111, Section 113, Section 114, Sections 115-117,  
14 Sections 119-127, Sections 131-138, Sections 140-144, Section 148,  
15 Sections 150-153, Sections 155-156, Section 165 and Sections 173-176 of  
16 this Act does not apply:

17 (1) To the production, processing, keeping, or storage of  
18 homegrown marijuana at a household for non-commercial purposes  
19 by one or more persons 21 years of age and older, if the total of  
20 homegrown marijuana at the household or cultivation site does not  
21 exceed six (6) mature marijuana plants and NO MORE THAN  
22 TWELVE (12) immature plants at any time. The marijuana

1 produced by the person's marijuana plants must remain in the same  
2 secure location where the marijuana was cultivated or secured at a  
3 person's household and such person holds a homegrown marijuana  
4 registry card issued by the Commission.

5 (2) To the production, processing, keeping, or storage of  
6 useable marijuana at a household for non-commercial purposes by  
7 one or more persons 21 years of age and older, if the total amount  
8 of usable marijuana at the household or cultivation site does not  
9 exceed eight (8) ounces of useable marijuana at any time.

10 (3) To the production, processing, keeping, or storage of  
11 homegrown marijuana at a household for non-commercial purposes  
12 by a medical marijuana patient or the patient's caregiver who may  
13 exceed the six (6) mature marijuana plant limit but not more than  
14 twelve (12) mature plants and twenty-four (24) immature plants  
15 should the patient's physician deem it necessary and practical for  
16 the effective treatment of the medical marijuana patient; provided  
17 that any additional marijuana produced by the person's marijuana  
18 plants in excess of one (1) ounce of marijuana or eight (8) ounces of  
19 useable marijuana must remain in the same secure location where  
20 the marijuana was cultivated or secured at a person's household and  
21 such person holds a homegrown marijuana registry card issued by  
22 the Commission, and a document with a physician statement

1 recommending the use of marijuana for medicinal use showing the  
2 name of the patient or the caregiver.

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

8 (5) To the delivery, possession, transport, or gifting of not  
9 more than one (1) ounce of any usable marijuana at any given time  
10 by a person 21 years of age and older to another person 21 years of  
11 age or older for noncommercial purposes.

12 (6) To the delivery, possession, transport, or gifting of not  
13 more than Sixteen (16) ounces of any marijuana products in solid  
14 form at any given time by a person 21 years of age or older to  
15 another person 21 years of age or older for noncommercial purposes.

16 (7) To the delivery, possession, transport, or gifting of not  
17 more than seventy-two (72) ounces of any marijuana products in  
18 liquid form at any given time by a person 21 years of age or older to  
19 another person 21 years of age or older for noncommercial purposes.

20 (8) To the delivery, possession, transport, or gifting of not  
21 more than five (5) grams of marijuana extracts at any given time by  
22 a person 21 years of age or older to another person 21 years of age

1 or older for noncommercial purposes.

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

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

11 (11) To the making, processing, keeping, or storage of  
12 homemade marijuana extracts or marijuana concentrates at a  
13 household by one or more persons 21 years of age and older if the  
14 marijuana extracts or concentrates were produced using only water  
15 or vegetable glycerin solvents or other forms of non-solvent  
16 extraction processing methods, as described in Section 157(a) of this  
17 Act.

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

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

22 (2) A person who cultivates marijuana must take reasonable



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

6 (3) Marijuana cultivation may only occur on property  
7 lawfully in possession, either by appropriate lease or actual  
8 ownership, of the cultivator or with the consent of the person in  
9 lawful possession of the property.

10 (4) A person may not sell homegrown marijuana or plants,  
11 marijuana products or marijuana items to any person for  
12 consideration.

13 (5) Any homegrown marijuana or plants, marijuana products  
14 or items that are delivered as a gift must be accepted by the recipient  
15 in order for the transfer to be complete.

16 (6) A person who violates this section while otherwise acting  
17 in compliance with this Act is guilty of a violation punishable by a  
18 civil infraction punishable by a fine of \$100 for a first offense. If the  
19 person is found guilty of a second offense, then their marijuana will  
20 be confiscated and they will be fined \$500. If a person is found  
21 guilty of a third offense, their marijuana will be confiscated and then  
22 the person will be guilty of a misdemeanor punishable by a fine of

1 up to \$1,000 and thirty (30) days of imprisonment, including  
2 revocation of their homegrown marijuana registry card.

3 **Section 107. CNMI Cannabis Commission.**

4 (a) The CNMI Cannabis Commission is hereby established as a  
5 regulatory agency of the government of the Commonwealth of the Northern  
6 Mariana Islands.

7 (b) Appointment of Commissioners and Term. The Commission  
8 shall consist of five commissioners.

9 (1) The Governor shall appoint from the Third Senatorial  
10 District three members to the Commission, subject to the advice and  
11 consent of the Saipan and Northern Islands Legislative Delegation.  
12 Provided that one of the three members appointed by the Governor  
13 shall be a voter from the Northern Islands and selected by the  
14 Northern Islands' Mayor.

15 (2) The Mayor of Rota shall appoint from the First Senatorial  
16 District one member to the Commission, subject to the advice and  
17 consent of the Rota Legislative Delegation.

18 (3) The Mayor of Tinian and Aguiguan shall appoint from  
19 the Second Senatorial District one member to the Commission,  
20 subject to the advice and consent of the Tinian and Aguiguan  
21 Legislative Delegation.

22 (4) Each member shall serve a term of four years, except that

1 of the members first appointed, one member shall serve a term of  
2 two years, three members shall serve a term of three years and three  
3 members shall serve a term of four years, which shall be determined  
4 by lottery at the first meeting of the Commission.

5 (5) The first members of the Commission shall be appointed  
6 as provided in this section within 30 days after the effective date of  
7 this Act.

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

13 (c) Qualifications of Commissioners.

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

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

1 management.

2 (3) No person shall be appointed who has been convicted of  
3 a crime, excepting traffic offenses, in any jurisdiction of the United  
4 States, the Commonwealth or any foreign country carrying a  
5 maximum sentence of more than six months, or any crime or offense  
6 involving moral turpitude unless a full pardon has been granted.

7 (4) No individual shall serve as a member of the  
8 Commission, if such individual, or a parent or child of such  
9 individual, holds or is an applicant for any license under this Act or  
10 holds any direct or indirect financial interest in any person or entity  
11 that holds or is an applicant for any license under this Act.

12 (5) The requirements of 1 CMC § 2901 shall apply to the  
13 Commission.

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

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

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

1 (g) Compensation – upon availability of Funds. Members of the  
2 Commission shall each be compensated pursuant to 1 CMC § 8247. In  
3 addition, the Commissioners shall be reimbursed for their actual, necessary,  
4 and reasonable expenses incurred in the performance of their duties. All  
5 travel will be subject to 1 CMC § 7407.

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

9 (i) Quorum. The minimum number of members needed to constitute  
10 a quorum for the conduct of Commission business shall be three members;  
11 provided at least one member of the Senatorial District of Tinian or Rota is  
12 counted in the quorum. The Commission is encouraged to adopt rules and  
13 regulations to provide for the appearance at meetings telephonically or via  
14 videoconference by members who are not physically present at the meeting.  
15 A member who appears telephonically or via videoconference pursuant to  
16 Commission rule or regulation shall be deemed present to constitute a  
17 quorum.

18 (j) The members of the Commission are not employees of the  
19 Commission or the Commonwealth government.

20 **Section 108. Powers and Duties of the Commission.** The  
21 Cannabis Commission has the powers and duties specified in this Act, and  
22 also the powers necessary or proper to enable it to carry out fully and

1           effectually all the purposes of this Act. The jurisdiction, supervision,  
2           powers and duties of the Commission extend to any person who buys, sells,  
3           produces, processes, transports, or delivers any marijuana items within this  
4           Commonwealth. The Commission shall have all the powers and authority  
5           necessary to carry out the purposes of this chapter, including, without  
6           limitation, the responsibility:

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

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

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

20                           (2) Supervision, monitoring and investigation or other  
21                           means to ensure the suitability and compliance with the legal,  
22                           statutory and contractual obligations of owners, operators, and



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

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

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

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

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

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

21 (8) To investigate and penalize any administrative  
22 infractions practiced according to the appropriate substantial and

1 procedural legislations.

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

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

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

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

13 (c) To levy fines and penalties for the violation of provisions of this  
14 chapter and the regulation promulgated by the Commission.

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

22 (e) For the types of licenses or permits to be covered by the

1 marijuana and hemp license and their structure.

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

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

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

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

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

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

21 (l) To regulate and prohibit any advertising by manufacturers,  
22 processors, wholesalers or retailers of marijuana items by the medium of

1 newspapers, letters, billboards, radio or otherwise.

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

4 (n) To adopt separate regulations as are necessary and feasible for  
5 the development of a medical marijuana program.

6 (o) To adopt separate regulations as are necessary and feasible for  
7 the development of a hemp program for strains of cannabis that do not  
8 exceed three tenths percent (0.3%) on a dry weight basis of any part of the  
9 plant cannabis, or per volume or weight of marijuana product, or the  
10 combined percent of delta-9-tetrahydrocannabinol and  
11 tetrahydrocannabinolic acid in any part of the plant cannabis regardless of  
12 moisture content.

13 (p) To conduct an annual summit with the Commonwealth  
14 Healthcare Corporation, the Department of Public Safety, the Department  
15 of Lands and Natural Resources and other stakeholders in the government  
16 and private sectors to discuss the regulation of cannabis in the  
17 Commonwealth.

18 (q) The Commission shall prescribe forms and adopt such rules and  
19 regulations as the Commission deems necessary for the implementation and  
20 administration of this Act within 180 days after the commission's  
21 organizational meeting.

22 (r) The Commission has no power to purchase, own, sell, or possess

1 any marijuana items.

2 **Section 109. Executive Director.**

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

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

9 (1) A bachelor's degree from a United States accredited  
10 educational institution or equivalent, or four years work experience  
11 in the cannabis, agricultural or related industry; and

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

14 (3) Good ethical and moral character; and

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

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

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

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

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

16          (f) The Executive Director's annual salary shall be determined by  
17          the Commission, subject to availability of funds, but in no event shall it  
18          exceed \$70,000.00 per year. The director's salary shall be commensurate  
19          with his or her educational background and work experience. The Executive  
20          Director shall be reimbursed for actual, necessary, and reasonable expenses  
21          incurred in the performance of his or her duties as allowed by the  
22          Commission, but in any event not to exceed \$25,000.00 in reimbursements



1 per calendar year. All travel will be subject to 1 CMC §7407.

2 (g) The Commission shall hire an executive director within sixty  
3 (60) days after the Commission's organizational meeting.

4 **Section 110. Rules and Regulations.**

5 The Commission shall promulgate rules and regulations to carry out  
6 the purposes of this chapter, including but not limited to, Marijuana or  
7 Hemp promotional activities; compliance and internal controls, and control  
8 of the financial suitability of licensed operators. The Commission may, in  
9 addition to any other purpose, use such rules and regulations to interpret,  
10 enlarge upon, or define any provision of this Act.

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

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

16 **Section 112. Homegrown Marijuana Registry.**

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

21 (b) The Commission shall maintain a record of the homegrown  
22 marijuana registry which shall include the names and addresses of

1 registrants, and other pertinent information related to the personal  
2 cultivation of homegrown marijuana at a household or a cultivation site.

3 (c) The Commission shall provide renewable annual registry cards  
4 to qualified persons and shall assess an annual registration fee of \$5.00 per  
5 person.

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

10 (e) The Commission shall not prohibit nor deny persons aged 21 or  
11 older from obtaining a homegrown marijuana registry card. Whereas, in the  
12 event that the Commission does not develop, implement or maintain the  
13 homegrown marijuana registry system within 120 days after the  
14 Commission's organizational meeting, this should not prohibit any persons  
15 21 years of age or older from the cultivation of homegrown marijuana, as  
16 long as the marijuana is cultivated in accordance with the guidelines defined  
17 in this Act and the person obtains a homegrown marijuana registry card  
18 when made available by the Commission.

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

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

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

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

6                   (b) The Commission may not revoke or refuse to issue or renew a  
7                   license under this Act on the basis that manufacturing, distributing,  
8                   dispensing, possessing, or using marijuana is prohibited by federal law.

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

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

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

17                   **Section 115. Contracts.**

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

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

22                  Licensees and licensee representatives may produce, deliver, and

1 possess marijuana items subject to the provisions of this Act. The  
2 production, delivery, and possession of marijuana items by a licensee or a  
3 licensee representative in compliance with this Act shall not constitute a  
4 criminal or civil offense under Commonwealth law.

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

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

11 **Section 118. Limitations Applied.**

12 (a) Licensed marijuana retailers and marijuana lounges are  
13 prohibited from selling items in excess of the following limits, to consumers  
14 at any one time per transaction:

15 (1) 1 ounce of marijuana.

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

17 (3) 72 ounces of marijuana product in liquid form.

18 (4) 5 grams of marijuana extract.

19 (5) 6 immature marijuana plants.

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

1 (1) 1 ounce of marijuana.

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

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

4 (4) 5 grams of marijuana extract.

5 (5) 6 immature marijuana plants.

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

9 (1) 1 ounce of marijuana.

10 (2) 16 ounces of marijuana product in solid form.

11 (3) 72 ounces of marijuana product in liquid form.

12 (4) 5 grams of marijuana extract.

13 (5) 6 immature marijuana plants.

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

17 (1) 1 ounce of marijuana.

18 (2) 16 ounces of marijuana product in solid form.

19 (3) 72 ounces of marijuana product in liquid form.

20 (4) 5 grams of marijuana extract.

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

22 All licensees and licensee representatives, before selling or serving

1 marijuana items to any person about whom there is any reasonable doubt of  
2 the person's having reached 21 years of age, shall require such person to  
3 produce one of the following pieces of identification:

4 (a) The person's valid passport.

5 (b) The person's valid motor vehicle operator's license, whether  
6 issued in this Commonwealth or by any other State or Territory, so long as  
7 the license has a picture of the person, and the person's date of birth.

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

10 (d) A United States military identification card.

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

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

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

18 (b) If a piece of identification is offered as evidence in any  
19 administrative or criminal prosecution of a licensee or licensee  
20 representative for sale or service of marijuana items to a person not having  
21 reached 21 years of age, the licensee or licensee representative shall be  
22 found to have committed no crime or other wrong unless it is demonstrated



1           that a reasonable person would have determined that the identification  
2           exhibited was altered or did not accurately describe the person to whom the  
3           marijuana items were sold or served.

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

5                       (a) Upon adoption of the licensing regulations, the Commission  
6           shall begin receiving applications for the licensing of persons to produce,  
7           process, and sell marijuana within the Commonwealth. Upon receipt of a  
8           license application, the Commission shall not unreasonably delay the  
9           processing, approval, or rejection of the application or, if the application is  
10          approved, the issuance of the license.

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

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

18                      (d) The Commission may not license a premise that does not have  
19          defined boundaries. A licensed premise need not be enclosed by a wall,  
20          fence or other structure, but the Commission shall require that any licensed  
21          premises be enclosed as a condition of issuing or renewing a license. The  
22          Commission shall not license premises that are mobile. The licensee must

1 possess a long term permanent interest in the licensed premises.

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

10 **Section 122. Production License.**

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

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

15 (c) A marijuana producer who possesses no more than twenty-five  
16 (25) mature marijuana plants may acquire a micro production license,  
17 instead of a production license, issued by the Commission for the premises  
18 at which the marijuana is produced. A marijuana micro producer shall sell  
19 marijuana to licensed marijuana establishments. A marijuana micro  
20 producer is prohibited from selling marijuana to the general public or a  
21 person without a license pursuant to this Act.

22 **Section 123. Processor License.**

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

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

5 **Section 124. Wholesale License.**

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

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

11 **Section 125. Retail License.**

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

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

16 **Section 126. Marijuana Lounge License.**

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

20 (b) A marijuana lounge licensee must have a "Class 1" or "Class 2"  
21 marijuana lounge license issued by the Commission for the premises at  
22 which marijuana, marijuana extracts, and marijuana products are received,

1           kept, stored, delivered, sold or consumed.

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

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

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

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

11                   (1) A person between the age of 18 and 20 years of age in possession  
12           of a valid identification, accompanied with a medical form or any  
13           documentation validating the person as a medical marijuana patient will be  
14           allowed on the premises of a marijuana lounge with a "Class 1" or "Class 2"  
15           license; and

16                   (2) A person under 18 years of age in possession of a valid  
17           identification, accompanied with a medical form or any documentation  
18           validating the person as a medical marijuana patient, and is accompanied by  
19           a parent(s) or legal guardian, will be allowed only in a marijuana lounge  
20           with a "Class 2" license.

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

22                   (a) The testing of marijuana items is subject to regulation by the

1 Commission.

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

5 **Section 128.** (Reserved)

6 **Section 129.** (Reserved)

7 **Section 130. Prohibition Against Smoking Marijuana in the**  
8 **Presence of Minors.**

9 (a) It is unlawful for any person to smoke marijuana in the presence  
10 of a person under 21 years of age, with exemptions applied to a medical  
11 marijuana patient.

12 (b) A violation of subsection (a) of this section is punishable by a  
13 fine of \$250 for the first offense, or \$1,000 for a second and subsequent  
14 offense.

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

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

21 (b) The Commission shall not require the books of any licensee to  
22 be maintained on the premises of the licensee. However, the owner or the

1 agent of the owner must be capable of producing the books of the licensee  
2 within three hours of the Commission exercising its right to make an  
3 examination of the books.

4 **Section 132. Multiple Licenses.**

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

13 **Section 133. Characteristics of License.**

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

15 (1) Be a purely personal privilege.

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

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

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

21 (5) Be transferable from the premises for which the license  
22 was originally issued to another premises subject to the provisions



1 of this Act, any rules of the Commission and local regulation.

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

4 (7) Not constitute property.

5 (8) Not be alienable.

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

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

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

11 (1) Marijuana items left by any deceased, insolvent or  
12 bankrupt person or licensee, or subject to a security interest, may be  
13 foreclosed, sold under execution or otherwise disposed of.

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

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

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

22 (a) Except as otherwise provided in this section, all licenses under

1           this Act and renewals thereof shall be issued for a period of one year which  
2           shall expire on September 30 of each year.

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

7                   **Section 135. Delivery of Marijuana.**

8           A marijuana producer, micro producer, marijuana processor, or  
9           marijuana wholesaler shall deliver marijuana items only to or on a licensed  
10          premise. The sale of marijuana items under any license issued by the  
11          Commission for retail sales by a licensee shall be restricted to the premises  
12          described in the license, but deliveries may be made by the marijuana  
13          retailer to consumers pursuant to bona fide orders received on the licensed  
14          premises prior to delivery.

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

16                 (a) Any person desiring a license or renewal of a license under this  
17          Act shall make application to the Commission upon forms to be furnished  
18          by the Commission showing the name and address of the applicant, the  
19          names and addresses of the applicant's employees, location of the place of  
20          business that is to be operated under the license, and such other pertinent  
21          information as the Commission may require. No license shall be granted or  
22          renewed until the applicant has complied with the provisions of this Act and

1 the rules of the Commission.

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

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

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

10 (e) Except as provided in subsection (g) of this section, the annual  
11 license fee for any license, except a micro production license, granted by  
12 this Act shall be \$4,500. The license fee is nonrefundable and shall be paid  
13 by each applicant upon the granting or committing of a license.

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

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

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

22 (a) The Commission may not license any applicant under the

1 provisions of this Act if the applicant is under 21 years of age.

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

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

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

7 (ii) Is incompetent or physically unable to carry on  
8 the management of the establishment proposed to be  
9 licensed.

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

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

16 (v) Is unable to understand the laws of  
17 Commonwealth relating to marijuana or the rules of the  
18 Commission.

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

1 (vii) Is determined to be unsuitable for licensure  
2 based on any rationale the Commission, or any other  
3 regulatory body, determines provided that determination is  
4 reasonable, articulable, non-discriminatory, and subject to  
5 review.

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

11 (1) The manufacture of marijuana, if:

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

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

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

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

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

22 (3) The possession of marijuana.

1                   **Section 138. Grounds for Cancellation or Suspension of**  
2                   **License.**

3                   The Commission may cancel or suspend any license issued under  
4                   this Act, if the Commission finds or has reasonable ground to believe any  
5                   of the following to be true:

6                   (a) That the licensee:

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

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

12                             (3) Has maintained an unsafe or insanitary  
13                             establishment.

14                             (4) Is insolvent or incompetent or physically unable  
15                             to carry on the management of the establishment of the  
16                             licensee.

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

19                             (6) Since the granting of the license, has been  
20                             convicted of a felony, of violating any of the marijuana laws  
21                             of this Commonwealth, general or local, or of any  
22                             misdemeanor or violation of any municipal ordinance



1 committed on the licensed premises.

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

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

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

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

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

17 **Section 141. Estimate by the Commission When Statement not**  
18 **Filed or False Statement Filed.**

19 If any marijuana producer fails, neglects or refuses to file a  
20 statement required by Section 140 of this Act or files a false statement, the  
21 Commission shall estimate the quantities of marijuana flowers, marijuana  
22 leaves, and immature marijuana plants sold by the marijuana producer

1           thereon. The marijuana producer shall be estopped from complaining of the  
2           quantities so estimated.

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

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

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

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

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

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

22                   (a) No marijuana producer shall falsify the statement required by

1           Section 140 of this Act.

2                   (b) No person shall:

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

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

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

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

13                   **Section 145. Prohibition Against Importing and Exporting**  
14                   **Marijuana.**

15                          (a) A person may not import marijuana items into the  
16                   Commonwealth or export marijuana items from the Commonwealth.

17                          (b) Marijuana items may not be imported into this Commonwealth  
18                   or exported from this Commonwealth by any licensee or licensee  
19                   representative unless permitted by the Commission. The Commission may  
20                   not pass a regulation permitting the importation or exportation of marijuana  
21                   items unless the Attorney General certifies to the Commission that the  
22                   importation and exportation of marijuana items will not violate federal law.

1 (c) For purposes of this Act, “export” includes placing a marijuana  
2 item in any mode of transportation for hire, such as luggage, mail or parcel  
3 delivery, even if the transportation of the marijuana item is intercepted prior  
4 to the marijuana item leaving the Commonwealth.

5 (d) Except as provided in subsection (e) of this section, a violation  
6 of this section is punishable by a fine of \$250 for the first offense, or \$1,000  
7 for a second and subsequent offense.

8 (e) A violation of this section is:

9 (1) Punishable by imprisonment of not more than five (5)  
10 years and a fine of not less than \$5,000 or both, if the importation or  
11 exportation:

12 (A) Is not for consideration and the person holds a  
13 license as a producer, processor, wholesaler, retailer or  
14 marijuana lounge issued pursuant to this Act; or

15 (B) Concerns an amount of marijuana items that  
16 exceeds the applicable maximum amount specified in  
17 Section 171 (a)(1)-(7) of this Act.

18 (2) Punishable by imprisonment of not more than ten (10)  
19 years and fine of \$25,000, or both, if the importation or exportation:

20 (A) Is for consideration and the person holds a  
21 license as a producer, processor, wholesaler, retailer or  
22 marijuana lounge issued pursuant to this Act; or

1 (B) Concerns an amount of marijuana items that  
2 exceeds 16 times the applicable maximum amount specified  
3 in Section 171 (a)(1)-(7) of this Act.

4 **Section 146. Prohibition Against Giving Marijuana Item as a**  
5 **Prize.**

6 (a) Marijuana items may not be given as a prize, premium or  
7 consideration for a lottery, contest, game of chance or skill, or competition  
8 of any kind.

9 (b) Violation of this section is punishable by imprisonment up to one  
10 (1) year or a fine of \$1,000, or both.

11 **Section 147. Prohibition regarding person who is visibly**  
12 **intoxicated; prohibition against allowing consumption of marijuana by**  
13 **person under 21 years of age on private property; penalty.**

14 (a) A person may not sell, give or otherwise make available a  
15 marijuana item to a person who is visibly intoxicated.

16 (b) (1) A person who exercises control over private real property  
17 may not knowingly allow a person under 21 years of age to consume a  
18 marijuana item on the property, or allow another person under 21 years of  
19 age to remain on the property if the person under 21 years of age consumes  
20 a marijuana item on the property.

21 (2) This subsection:

22 (A) Applies only to a person who is present and in control of

1 the location at the time the consumption occurs; and

2 (B) Does not apply to the owner of rental property, or the  
3 agent of an owner of rental property, unless the consumption occurs  
4 in the individual housing unit in which the owner or agent resides.

5 (c) Any person found in violation of this section may be punished  
6 by imprisonment of up to one (1) year or a fine of not more than \$1,000, or  
7 both.

8 **Section 148. Misrepresentation by Licensee and Others;**  
9 **Maintenance of Disorderly Conduct.**

10 (a) No person shall make false representations or statements to the  
11 Commission in order to induce or prevent action by the Commission.

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

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

17 (d) Violation of this section is punishable by imprisonment of up to  
18 one (1) year or a fine of not less than \$1,000, or both.

19 **Section 149. Prohibition against person under 21 years of age**  
20 **possessing, attempting to purchase or purchasing marijuana item;**  
21 **penalty.**

22 (a) (1) A person under 21 years of age may not possess, attempt to



1 purchase or purchase a marijuana item.

2 (2) For purposes of this subsection, purchasing a marijuana item  
3 includes accepting a marijuana item, and possessing a marijuana item  
4 includes consuming a marijuana item, provided that the consumption of the  
5 marijuana item occurred no more than 24 hours before the determination  
6 that the person consumed the marijuana item.

7 (b) Except as authorized under this Act, or as necessary in an  
8 emergency, a person under 21 years of age may not enter or attempt to enter  
9 any portion of a premises that is posted or otherwise identified as being  
10 prohibited to the use of persons under 21 years of age.

11 (c) (1) Except as provided in paragraph (2) of this subsection, a  
12 person who violates subsection (a) or (b) of this section is punishable by a  
13 fine of \$250 for the first offense, or \$1,000 for a second and subsequent  
14 offense.

15 (2) A person who violates subsection (a) of this section by reason of  
16 possessing a marijuana item while the person is operating a motor vehicle  
17 is punishable by a fine \$500 for the first offense, or \$2,000 for a second and  
18 subsequent offense.

19 (d) In addition to or in lieu of any other penalty established by law:

20 (1) The court may require a person who violates subsection (a) of  
21 this section to perform not less than 80 hours but not more than 250 hours  
22 community service; and

1           (2) The court shall order that, when a person violates subsection (a)  
2           of this section, the person's driving privileges and right to apply for driving  
3           privileges be suspended for up to one (1) year.

4           (e) In addition to and not in lieu of any penalty established by law,  
5           the court may order a person who violates this section to undergo  
6           assessment and treatment. The court shall order a person to undergo  
7           assessment and treatment if the person has previously been found to have  
8           violated this section.

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

14          (g) The prohibitions of this section do not apply to a person under  
15          21 years of age who is acting under the direction of a licensee for the  
16          purpose of investigating possible violations by employees of the licensee of  
17          laws prohibiting sales of marijuana items to persons who are under 21 years  
18          of age.

19          (h) (1) A person under 21 years of age is not in violation of, and is  
20          immune from prosecution under, this section if:

21                  (A) The person contacted emergency medical services or a  
22                  CNMI Law enforcement agency in order to obtain medical

1 assistance for another person who was in need of medical assistance  
2 because that person consumed a marijuana item and the evidence of  
3 the violation was obtained as a result of the person's having  
4 contacted emergency medical services or a law enforcement agency;  
5 or

6 (B) The person was in need of medical assistance because  
7 the person consumed a marijuana item and the evidence of the  
8 violation was obtained as a result of the person's having sought or  
9 obtained the medical assistance.

10 (i) The prohibitions of this section do not apply to a person under  
11 21 years of age who has a valid recommendation for marijuana issued by a  
12 doctor licensed in the Northern Mariana Islands, or by a country of origin  
13 for the non-CNMI resident patient.

14 **Section 150. Compliance with Standards.**

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

18 (b) The Commission may require a marijuana producer, marijuana  
19 processor, or marijuana wholesaler to provide a laboratory analysis  
20 demonstrating to the satisfaction of the Commission that particular  
21 marijuana items comply with the minimum standards in this  
22 Commonwealth. The Commission may also require marijuana retailers and

1 marijuana lounges to provide laboratory analysis of marijuana items for  
2 inspection and investigatory purposes. The Commission may also gather  
3 random samples of marijuana items from marijuana establishments for  
4 inspection and investigatory purposes.

5 (c) No marijuana items offered for sale within this Commonwealth  
6 may be altered or tampered with in any way by any person not licensed to  
7 do so by the Commission.

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

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

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

15 (a) No licensee shall use or allow the use of any mark or label on the  
16 container of any marijuana items which are kept for sale, if the container  
17 does not precisely and clearly indicate the nature of its contents or in any  
18 way might deceive any customer as to the nature, composition, quantity,  
19 age or quality of such marijuana items. Marijuana items that have been  
20 tested and satisfactorily complied with the minimum standards set forth by  
21 the Commission shall bear a label that reads: "CERTIFIED"; and whereas,  
22 in the absence of a marijuana testing facility or in the absence of testing a

1 marijuana item, marijuana establishments are required to mark or label the  
2 marijuana item with a disclaimer that clearly reads:  
3 “UNTESTED PRODUCT”. All marijuana items which are kept for sale  
4 shall bear a label that reads: “This product has not been evaluated by the  
5 FDA.”

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

9 (c) The Commission must, by regulation, specify and require  
10 marijuana establishments to comply with labeling standards and container  
11 standards when selling or distributing marijuana, marijuana extracts, or  
12 marijuana products at a marijuana establishment. Furthermore, the  
13 Commission may require the delivery of educational materials to consumers  
14 who purchase marijuana products. Marijuana products’ labels and  
15 containers must include the following:

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

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

20 (3) Ingredients and possible allergens;

21 (4) A nutritional fact panel;

22 (5) Opaque, child resistant packaging, which must be

1           designed or constructed to be significantly difficult for children  
2           under five years of age to open and not difficult for normal adults to  
3           use properly as defined by 16 C.F.R. 1700.20 (1995); and

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

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

11           **Section 152. Minimum Age Requirement.**

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

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



1 (c) If a person performing work has not provided proof of age  
2 requested by the Commission under subsection (b) of this section, the  
3 Commission may request that the licensee provide proof that the person is  
4 21 years of age or older. Failure of the licensee to respond to a request made  
5 under this subsection by providing acceptable proof of age for a person is  
6 prima facie evidence that the licensee has allowed the person to perform  
7 work at the licensed premises in violation of the minimum age requirement.

8 **Section 153. Prohibition Against Certain Licensee Possessing**  
9 **Mature Marijuana Plants.**

10 (a) Except for licensed marijuana producers and micro producers  
11 and their licensee representatives, no licensee or licensee representative  
12 may possess a mature marijuana plant.

13 (b) No licensee or licensee representative may sell a mature  
14 marijuana plant.

15 **Section 154. Prohibition Against Use of Marijuana in Public**  
16 **Place.**

17 (a) It is unlawful for any person to engage in the use of marijuana  
18 items in a public place or public property or in the presence of a person  
19 under 21 years of age.

20 (b) A violation of subsection (a) of this section is punishable by a  
21 fine of \$250 for the first offense, \$1,000 for a second and subsequent  
22 offense.

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

5 (1) Any government building;

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

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

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

14 (4) Any business establishment licensed to serve alcohol;

15 and

16 (5) Any federal building or property.

17 (d) An individual possessing marijuana in accordance with  
18 subsection (c)(3) of this section may not possess more than sixteen (16)  
19 ounces of marijuana.

20 (e) A violation of subsection (c) of this section is punishable by a  
21 fine of \$500 for the first offense, or \$1,000 for a second or subsequent  
22 offense.

1                   **Section 155. Permit for Temporary Use of Marijuana Items at**  
2                   **Special Events.**

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

7                   (1) If the permit is for the temporary use of marijuana items  
8                   to be displayed, possessed, sold, purchased, used and/or consumed  
9                   at a private place for a special event, then the permit will only be  
10                  issued for the use of marijuana items by authorization of the premise  
11                  owner, landlord or operator and the permit applicant must describe  
12                  the date, time and place that marijuana items may be displayed,  
13                  possessed, sold, purchased, used and/or consumed on the premises;  
14                  and

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

19                  (3) The Commission shall not issue a permit for the  
20                  temporary use of marijuana items at a special event that is located  
21                  within 500 feet of any school, child daycare, drug or alcohol  
22                  treatment facility, or public pools.

1                   (4) The Commission shall not issue a permit for the  
2                   temporary use of marijuana items at a special event on public  
3                   property, residential areas, or at events that serve alcohol.

4                   (5) The Commission shall require from all permit applicants  
5                   a special event plan that include, but is not limited to, ventilation  
6                   and odor-control plans, detailed preparations for marijuana waste  
7                   disposal, prevention of underage entry to the consumption area, over  
8                   intoxication by patrons, driving while intoxicated and illegal  
9                   distribution of marijuana at a special event.

10                  (b) The Commission may not issue a permit under this section for a  
11                  period greater than ten (10) days per calendar year. The Commission must  
12                  provide a public notice thirty (30) days prior to granting a permit under this  
13                  section.

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

16                   **Section 156. Possession of Marijuana in Correctional Facility**  
17                   **Prohibited.**

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

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

22                   **Section 157. Unlawful Marijuana Extraction; Penalties.**

1 (a) No person, other than a licensed marijuana processor complying  
2 with this Act and the Commission regulations, may perform solvent-based  
3 extractions on marijuana using solvents other than water or vegetable  
4 glycerin.

5 (b) A person who violates this section is guilty of a felony  
6 punishable by up to three (3) years in prison and a fine of up to \$5,000.

7 **Section 158. Marijuana Laws Supersede and Repeal**  
8 **Inconsistent CNMI Laws.**

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

13 **Section 159. Authority of Local Legislative Delegations.**

14 (a) Local Legislative Delegations, in accordance with  
15 1 CMC §§ 1401-1409, may enact marijuana regulation laws, as provided by  
16 this section, pertaining exclusively to matters within their respective  
17 senatorial district.

18 (b) Local Legislative Delegations may adopt reasonable time, place  
19 and manner regulations of the nuisance aspects of establishments that sell  
20 marijuana to consumers. The Local Legislative Delegation may establish  
21 civil penalties for violation of a local law governing the time, place, and  
22 manner of a marijuana establishment that may operate in such senatorial

1 district.

2 (c) Local Legislative Delegations may establish a schedule of local  
3 annual operating and registration fees for marijuana establishments.

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

7 **Section 160. Duty of Law Enforcement to Enforce and Inform**  
8 **the Attorney General.**

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

16 **Section 161. Confiscation of Marijuana and Property.**

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

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



1 Commonwealth law:

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

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

8 (c) The Commission is authorized to destroy or make such other  
9 disposition of any property it receives under paragraph (2) of subsection (b)  
10 of this section as it considers to be in the public interest. In any such case,  
11 all such property, including lockers, chairs, tables, cash registers, music  
12 devices, gambling devices, furniture, furnishings, equipment and facilities  
13 for the storing, serving or using of marijuana items shall be confiscated and  
14 forfeited to the Commonwealth, and the clear proceeds shall be deposited  
15 in the General Fund.

16 **Section 162. Duty to Notify the Commission of Conviction of**  
17 **Licensee.**

18 The CNMI Superior Court and the Attorney General, immediately  
19 upon the conviction of any licensee of the Commission of a violation of any  
20 provision of this Act or the violation of any other law of this Commonwealth  
21 or local law of any municipality therein, in which violation marijuana had  
22 any part, shall notify the Commission thereof. The Attorney General or any

1 law enforcement agency shall notify the Commission of any acts, practices  
2 or other conduct of any such licensee which may be subversive of the  
3 general welfare or contrary to the spirit of this Act and shall recommend  
4 such action necessary to revoke the license of the licensee.

5 **Section 163. Property and Places as Common Nuisances.**

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

17 **Section 164. Lien on Place used to Unlawfully Handle**  
18 **Marijuana.**

19 If it is proved that the owner of any building or premises knowingly  
20 has suffered the same to be used or occupied for the manufacture, sale or  
21 possession of marijuana items, contrary to the provisions of this Act, such  
22 building or premises are subject to a lien for, and may be sold to pay all

1 fines and costs assessed against their occupants for any violation of this Act.  
2 The lien shall be enforced immediately by civil action in any court having  
3 jurisdiction by the Attorney General.

4 **Section 165. Governor Authorized to Suspend License.**

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

9 **Section 166. Penalties.**

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

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

15 **Section 167. Use of Marijuana While Driving; Penalty.**

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

20 (b) "Consumes" includes the inhalation of smoke from a marijuana  
21 item by a driver or operator of a motor vehicle, boat, vessel, aircraft, or other  
22 motorized device used for transportation.

1 (c) "Marijuana item" has the meaning given that term in Section 105  
2 of this chapter.

3 (d) The offense described in this section, use of marijuana items  
4 while driving, may be fined of up to \$500, or have his or her driver's license  
5 suspended for up to six (6) months, or both, for the first violation.

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

9 (f) A prosecution for using marijuana items while driving a motor  
10 vehicle does not preclude a prosecution for driving under the influence of  
11 marijuana items while driving a motor vehicle.

12 **Section 168. Unlawful Manufacture of Marijuana.**

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

16 (b) Unlawful manufacture of marijuana is punishable by  
17 imprisonment of up to six (6) months and a fine of up to \$500, if a person  
18 21 years of age or older manufactures marijuana at a household for  
19 noncommercial purposes or at a cultivation site and the total number of  
20 marijuana plants exceeds six (6) mature marijuana plants but does not  
21 exceed twelve (12) mature marijuana plants. If a person has a previous  
22 conviction for violation of this section, then unlawful manufacture of

1 marijuana punishable by this subsection is punishable by imprisonment up  
2 to one (1) year and a fine of up to \$1,000.

3 (c) Unlawful manufacture of marijuana is punishable by up to  
4 five (5) years imprisonment and a fine of up to \$5,000, if a person 21 years  
5 of age or older manufactures marijuana at a household for noncommercial  
6 purposes or at a cultivation site and:

7 (1) The total number of homegrown marijuana plants is more  
8 than twelve (12) and less than thirty (30); or

9 (2) The total amount of marijuana product in solid form,  
10 liquid form or marijuana extract exceeds twice the applicable  
11 limitation amount specified in Section 118 of this chapter.

12 (d) Unlawful manufacture of marijuana is punishable by up to ten  
13 (10) years imprisonment and a fine of up to \$10,000, if a person 21 years of  
14 age or older manufactures marijuana at a household for noncommercial  
15 purposes or at a cultivation site and the total number of homegrown  
16 marijuana plants is thirty (30) or more.

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

19 **Section 169. Unlawful Delivery of Marijuana.**

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

1 deliver marijuana.

2 (b) Unlawful delivery of marijuana is:

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

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

7 (c) Notwithstanding subsection (b) of this section, unlawful delivery  
8 of marijuana is punishable by a fine of \$500 if the delivery is for no  
9 consideration and consists of less than one (1) avoirdupois ounce of the  
10 dried leaves, stems and flowers of the plant cannabis family Moraceae.

11 (d) Notwithstanding subsections (b) and (c) of this section, unlawful  
12 delivery of marijuana is:

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

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



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

3 (i) Is for consideration;

4 (ii) Consists of more than four (4) ounces of the dried  
5 leaves, stems and flowers of the plant cannabis family  
6 Moraceae; and

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

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

13 (i) Is for no consideration;

14 (ii) Consists of less than five (5) grams of the dried leaves,  
15 stems and flowers of the plant cannabis family Moraceae; and

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

17 **Section 170. Unlawful Possession of Marijuana by person**  
18 **21 years or older.**

19 (a) Except for licensees and licensee representatives, and except for  
20 a person acting within the scope of and in compliance with Section 106(a)  
21 of this Act, it is unlawful for any person 21 years of age or older knowingly  
22 or intentionally to possess:

- 1 (1) More than 1 ounce of marijuana in a public place.
- 2 (2) More than 8 ounces of usable marijuana at a household.
- 3 (3) More than 16 ounces of solid marijuana products.
- 4 (4) More than 72 ounces of liquid marijuana products.
- 5 (5) More than 5 grams of marijuana extracts.
- 6 (6) More than 6 mature marijuana plants.
- 7 (7) More than 12 immature marijuana plants.

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

9 (1) Punishable by up to thirty (30) days imprisonment and a  
10 fine of up to \$1,250.00, if the amount possessed is not more than  
11 two times the applicable maximum amount specified in subsection  
12 (a) of this section; or

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

17 (3) Punishable by up to five (5) years imprisonment and a  
18 fine of up to \$5,000.00, if the amount possessed is more than four  
19 times the applicable maximum amount specified in subsection (a) of  
20 this section.

21 **Section 171. Trafficking Marijuana.**

22 (a) Except for licensees and licensee representatives, it shall be

1 unlawful for any person knowingly or intentionally to manufacture, deliver,  
2 distribute, dispense, or possess with intent to manufacture, deliver,  
3 distribute, dispense or possess marijuana or marijuana items.

4 (b) Except as otherwise provided in Section 168, Section 169,  
5 Section 170, of this Act, any person who violates subsection (a) of this  
6 section is punishable as follows:

7 (1) Punishable by imprisonment of up to ten (10) years and  
8 a fine of up to \$25,000, if the amount is less than 50 plants or 50  
9 kilograms;

10 (2) Punishable by imprisonment of up twenty (20) years and  
11 a fine up to \$50,000, if the amount is 50-99 plants or 50-100  
12 kilograms;

13 (3) Punishable by imprisonment of up to forty (40) years and  
14 a fine of \$100,000, if the amount is 100-999 plants or 100-1,000  
15 kilograms; or

16 (4) Punishable by imprisonment of forty (40) years to life  
17 imprisonment, if the amount is 1,000 or more plants or more than  
18 1,000 kilograms.

19 **Section 172. Marijuana Tax and Fees.**

20 (a) The Northern Marianas Commonwealth Legislature  
21 (Legislature) shall enact taxes and fees to be levied upon marijuana items  
22 sold or otherwise transferred by a marijuana producer to a marijuana

1 processor or to a marijuana wholesaler or retailer at a rate to be determined  
2 by the Legislature thereafter, and shall direct the Department of Finance to  
3 establish procedures for the collection of all taxes levied.

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

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

15 **Section 173. No Qualifying Certificate for Marijuana**  
16 **Businesses.**

17 The Investment Incentive Act of 2000 (Public Law 12-32), as  
18 amended and codified at 4 CMC §§ 50201 *et seq.*, shall not be applicable to  
19 any marijuana business or establishment in the CNMI and licensed pursuant  
20 to this chapter, and such marijuana businesses and establishments shall not  
21 be eligible for a qualifying certificate.

22 **Section 174. Commonwealth Public Lands Shall Not be Leased**

1       **or Used for Cannabis (Marijuana or Hemp) Businesses.** The Department  
2       of Public Lands and all other government entities shall not lease or use  
3       public lands for the purpose of establishing cannabis (marijuana or hemp)  
4       businesses or establishments. This section does not apply to existing public  
5       land leases with existing hotels or commercial buildings.

6               **Section 175. Work Force Participation by U.S. Citizens and**  
7       **CNMI and U.S. Permanent Residents.**

8               Notwithstanding 3 CMC §§ 4525 and 4526, the personnel workforce  
9       of any employer licensed to do business pursuant to this Act shall consist of  
10      100% U.S. citizens, U.S. permanent residents, and CNMI permanent  
11      residents and their immediate relatives.

12              **Section 176. Interpretation.**

13              This Act is modeled after the marijuana laws of Oregon and other  
14      states that have legalized marijuana. The Commonwealth Judiciary, the  
15      Attorney General, the Commission, and any other government entity of the  
16      Commonwealth may consider case precedent in Oregon to be persuasive  
17      when interpreting this Act.”

18      **Section 3. Amendment.** 6 CMC § 3177 is amended by adding a new  
19      subsection (h) to read as follows:

20              “(h) Licensed marijuana lounges to allow for on-site consumption  
21      of marijuana, marijuana extracts, and marijuana products.”

1           **Section 4. Amendment.** 4 CMC §1402(a), Excise Tax. is amended by  
2 adding a new subsection (21) and renumbering the existing subsection (21) as  
3 follows:

4                   “(21) Cannabis and marijuana as defined in the CNMI Cannabis Act  
5           of 2018, including cannabis and marijuana manufactured, grown or entirely  
6           derived from sources within the Commonwealth 10 percent ad valorem.”

7                   (21 22) All other goods, commodities, resources, or merchandise not  
8 otherwise provided by law, five percent ad valorem.”

9           **Section 5. Repealer.** The following statutes are repealed and the remaining  
10 sections shall be renumbered accordingly:

11                   “(a) 6 CMC § 2114(c)(13);  
12                   (b) 6 CMC § 2141(c); and  
13                   (c) 6 CMC § 2142(c).”

14           **Section 6. Severability.** If any provision of this Act or the application of  
15 any such provision to any person or circumstance should be held invalid by a court  
16 of competent jurisdiction, the remainder of this Act or the application of its  
17 provisions to persons or circumstances other than those to which it is held invalid  
18 shall not be affected thereby.

19           **Section 7. Savings Clause.** This Act and any repealer contained herein  
20 shall not be construed as affecting any existing right acquired under contract or  
21 acquired under statutes repealed or under any rule, regulation, or order adopted  
22 under the statutes. Repealers contained in this Act shall not affect any proceeding



1 instituted under or pursuant to prior law. The enactment of the Act shall not have  
2 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
3 which shall already be in existence on the date this Act becomes effective.

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

Prefiled: 7/31/18

Date: 7/31/18

Introduced: /s/ Rep. Joseph P. Deleon Guerrero  
/s/ Rep. Edwin P. Aldan  
/s/ Rep. Blas Jonathan "BJ" T. Attao  
/s/ Rep. Ivan A. Blanco  
/s/ Rep. Alica S. Igitol  
/s/ Rep. Glenn L. Maratita  
/s/ Rep. John Paul P. Sablan

Reviewed for Legal Sufficiency by:  
/s/ John F. Cool  
House Legal Counsel