

NINETEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE

NINTH SPECIAL SESSION, 2016

S. B. NO. 19-106

A BILL FOR AN ACT

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

BE IT ENACTED BY THE NINETEENTH NORTHERN MARIANAS COMMONWEALTH LEGISLATURE:

1 SECTION 1. Short title; Title 4, New chapter; and Approval by the voters.

2 (1) Short Title. This initiative may be cited as the “Commonwealth Marijuana
3 Regulation Act of 2016.”

4 (2) Subject to codification by the Law Revision Commerce, Title 4, Division
5 5, is hereby amended by creating a new chapter titled “Marijuana Regulation.” Unless
6 otherwise specified, the remainder of this Act will be placed into the new chapter titled
7 Marijuana Regulation.

8 (3) This Act shall not become law upon its passage. Instead, this Act shall be
9 placed on the ballot as a ballot measure to be voted for in the next Commonwealth
10 election as a legislatively referred Commonwealth statute. Upon approval of this statute
11 as a ballot measure, the following question will appear on the ballot as representing this
12 act; “Should the Commonwealth legalize, regulate, and tax marijuana by approving the
13 Commonwealth Marijuana Regulation Act of 2016?” Upon approval of this act by a
14 majority of the voters in the election, this act will immediately become law. If
15 disapproved, then this Act will be void and shall not become law.

16 SECTION 2. Purposes.

17 (1) The Legislature declares that the purposes of this Act are:

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

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

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

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

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

14 (2) The Legislature intends that the provisions of this Act, together with the
15 other provisions of existing Commonwealth law, will:

16 (a) Provide the people of the Northern Mariana Islands with the
17 opportunity establish an industry based on the production and exportation of
18 marijuana – if the federal government chooses to legalize interstate commerce in
19 marijuana in the coming years, then the people of the Northern Mariana Islands
20 will be ready and able to export marijuana to other states and territories;

21 (b) Allow each island to determine what is appropriate for its people,
22 land, and economy;

23 (c) Prevent the distribution of marijuana to persons under 21 years of
24 age;

25 (d) Prevent revenue from the sale of marijuana from going to criminal
26 enterprises, gangs, and cartels;

27 (e) Prevent the unlawful diversion of marijuana from this
28 Commonwealth to other States and Territories of the United States;

1 (f) Prevent marijuana activity that is legal under Commonwealth law
2 from being used as a cover or pretext for the trafficking of other illegal drugs or
3 other illegal activity;

4 (g) Prevent violence and the use of firearms in the cultivation and d
5 distribution of marijuana;

6 (h) Prevent drugged driving and the exacerbation of other adverse
7 public health consequences associated with the use of marijuana;

8 (i) Prevent the unpermitted growing of marijuana on public lands and
9 the attendant public safety and environmental dangers posed by marijuana
10 production on public lands; and

11 (j) Prevent the possession and use of marijuana on federal property.

12 SECTION 3. Commonwealth Code.

13 This Act is added to and made a part of the Commonwealth Code.

14 SECTION 4. Limitations. This Act may not be construed:

15 (1) To amend or affect in any way any Commonwealth or federal law
16 pertaining to employment matters;

17 (2) To amend or affect in any way any Commonwealth or federal law
18 pertaining to landlord-tenant matters;

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

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

26 (5) To require a person to violate a federal law;

27 (6) To exempt a person from a federal law or obstruct the enforcement of a
28 federal law.

1 SECTION 5. Definitions. As used in this Act:

2 (1) "Class A felony" means a felony punishable by up to twenty years
3 imprisonment and a fine of up to \$20,000 dollars.

4 (2) "Class B felony" means a felony punishable by up to ten years
5 imprisonment and a fine of up to \$10,000.

6 (3) "Class C felony" means a felony punishable by up to five years
7 imprisonment and a fine of up to \$5,000.

8 (4) "Class A misdemeanor" means a misdemeanor punishable by up to one
9 year imprisonment and a fine of up to \$5,000.

10 (5) "Class B misdemeanor" means a misdemeanor punishable by up to six
11 months imprisonment and a fine of up to \$1,000.

12 (6) "Class C misdemeanor" means a misdemeanor punishable by up to thirty
13 days imprisonment and a fine of up to \$500.

14 (7) "Class A violation" means a civil infraction punishable by a fine of \$500.

15 (8) "Class B violation" means a civil infraction punishable by a fine of \$250.

16 (9) "Class C violation" means a civil infraction punishable by a fine of \$100.

17 (10) "Commerce" means the Department of Commerce.

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

20 (12) "Division of Agriculture" means the Department of Lands and Natural
21 Resources Division of Agriculture.

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

25 (14) (a) "Financial consideration," except as provided in paragraph (b) of
26 this subsection, means value that is given or received directly or indirectly
27 through sales, barter, trade, fees, charges, dues, contributions or donations.

28 (b) "Financial consideration" does not mean any of the following:

1 (A) Homegrown marijuana made by another person.

2 (B) Homemade marijuana products made by another person.

3 (15) “Homegrown” or “homemade” means grown or made by a person 21
4 years of age or older for noncommercial purposes.

5 (16) “Household” means a housing unit, and includes any place in or around
6 the housing unit at which the occupants of the housing unit are producing, processing,
7 keeping, or storing homegrown marijuana or homemade marijuana products.

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

12 (18) “Immature marijuana plant” means a marijuana plant with no observable
13 flowers or buds.

14 (19) “Licensee” means any person holding a license issued under this Act, or
15 any person holding a license or permit issued under any regulation promulgated under
16 paragraph SECTION 7(2)(e) of this Act.

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

20 (21) “Marijuana” means all parts of the plant Cannabis family Moraceae,
21 whether growing or not, other than marijuana extracts.

22 (22) “Marijuana extract” means a product obtained by separating resins from
23 marijuana by solvent extraction, using solvents other than water or vegetable glycerin,
24 such as butane, hexane, isopropyl alcohol, ethanol, and carbon dioxide.

25 (23) (a) “Marijuana flowers” means the flowers of the plant Cannabis
26 family Moraceae.

27 (b) “Marijuana flowers” does not include any part of the plant other
28 than the flowers.

1 (24) “Marijuana items” means marijuana, marijuana products, and marijuana
2 extracts.

3 (25) (a) “Marijuana leaves” means the leaves of the plant Cannabis family
4 Moraceae.

5 (b) “Marijuana leaves” does not include any part of the plant other
6 than the leaves.

7 (26) “Marijuana processor” means a person who processes marijuana items in
8 this Commonwealth.

9 (27) “Marijuana producer” means a person who produces marijuana in this
10 Commonwealth.

11 (28) (a) “Marijuana products” means products that contain marijuana or
12 marijuana extracts and are intended for human consumption.

13 (b) “Marijuana products” does not mean:

14 (A) Marijuana, by itself; or

15 (B) A marijuana extract, by itself.

16 (29) “Marijuana retailer” means a person who sells marijuana items to a
17 consumer in this Commonwealth.

18 (30) “Marijuana wholesaler” means a person who purchases marijuana items in
19 this Commonwealth for resale to a person other than a consumer in this Commonwealth.

20 (31) “Mature marijuana plant” means any marijuana plant that is not an
21 immature marijuana plant.

22 (32) “Noncommercial” means not dependent or conditioned upon the provision
23 or receipt of financial consideration.

24 (33) “Person” means any natural person, corporation, professional corporation,
25 nonprofit corporation, cooperative corporation, profit or nonprofit unincorporated
26 association, business trust, limited liability company, general or limited partnership, joint
27 venture, or any other legal entity.

1 (34) “Premises” or “licensed premises” means a location licensed under this
2 Act and includes:

3 (a) All enclosed areas at the location that are used in the business
4 operated at the location, including offices, kitchens, rest rooms and storerooms,
5 including all public and private areas;

6 (b) All areas outside of a building that Commerce has specifically
7 licensed for the production, processing, wholesale sale, or retail sale of marijuana
8 items; and

9 (c) For a location that Commerce has specifically licensed for the
10 production of marijuana outside of a building, the entire lot or parcel, that the
11 licensee owns, leases, or has a right to occupy.

12 (35) (a) “Processes” means:

13 (A) The processing, compounding, or conversion of marijuana
14 into marijuana products or marijuana extracts;

15 (B) The processing, compounding, or conversion of marijuana,
16 either directly or indirectly by extraction from substances of natural origin,
17 or independently by means of chemical synthesis, or by a combination of
18 extraction and chemical synthesis;

19 (C) The packaging or repackaging of marijuana items; or

20 (D) The labeling or relabeling of any package or container of
21 marijuana items.

22 (b) “Processes” does not include:

23 (A) The drying of marijuana by a marijuana producer, if the
24 marijuana producer is not otherwise processing marijuana; or

25 (B) The packaging and labeling of marijuana by a marijuana
26 producer in preparation for delivery to a marijuana processor.

27 (36) (a) “Produces” means the manufacture, planting, cultivation, growing,
28 or harvesting of marijuana.

1 (b) “Produces” does not include:

2 (A) The drying of marijuana by a marijuana processor, if the
3 marijuana processor is not otherwise producing marijuana; or

4 (B) The cultivation and growing of an immature marijuana
5 plant by a marijuana processor, marijuana wholesaler, or marijuana
6 retailer if the marijuana processor, marijuana wholesaler, or marijuana
7 retailer purchased or otherwise received the plant from a licensed
8 marijuana producer.

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

14 (38) “Revenue and Taxation” means the Department of Finance Division of
15 Revenue and Taxation.

16 (39) “Usable marijuana” means dried marijuana flowers and dried marijuana
17 leaves, and any mixture or preparation thereof.

18 SECTION 6. Exemptions.

19 (1) This Act does not apply:

20 (a) To the production, processing, keeping, or storage of homegrown
21 marijuana at a household by one or more persons 21 years of age and older if the
22 total of homegrown marijuana at the household does not exceed six (6) mature
23 marijuana plants and twenty-five (25) immature plants, and so long as the
24 marijuana produced from those plants remains in the same secure location where
25 the marijuana was cultivated.

26 (b) To the making, processing, keeping, or storage of homemade
27 marijuana products at a household by one or more persons 21 years of age and

1 older if the total of homemade marijuana products at the household does not
2 exceed sixteen ounces in solid form at a given time.

3 (c) To the making, processing, keeping, or storage of homemade
4 marijuana products at a household by one or more persons 21 years of age and
5 older if the total of homemade marijuana products at the household does not
6 exceed seventy-two ounces in liquid form at a given time.

7 (d) To the delivery of not more than one ounce of usable homegrown
8 marijuana at a given time by a person 21 years of age or older to another person
9 21 years of age or older for noncommercial purposes.

10 (e) To the delivery of not more than four ounces of homemade
11 marijuana products in solid form at a given time by a person 21 years of age or
12 older to another person 21 years of age or older for noncommercial purposes.

13 (f) To the delivery of not more than seventy-two ounces of homemade
14 marijuana products in liquid form at a given time by a person 21 years of age or
15 older to another person 21 years of age or older for noncommercial purposes.

16 (2) This Section is subject to the following terms:

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

20 (b) A person who cultivates marijuana must take reasonable
21 precautions to ensure the plants are secure from unauthorized access.

22 (c) Marijuana cultivation may only occur on property lawfully in
23 possession of the cultivator or with the consent of the person in lawful possession
24 of the property.

25 (d) A person who violates this section while otherwise acting in
26 compliance with this Act is guilty of a violation punishable by a civil infraction
27 punishable by a fine of \$100 for a first offense. If the person is found guilty of a
28 second offense within a two-year period, then their marijuana products will be

1 confiscated and they will be fined \$500. If a person is found guilty of a third
2 offense occurring within a two-year period, then the person will be guilty of a
3 misdemeanor punishable by a fine of up to \$1,000 and thirty days of
4 imprisonment.

5 SECTION 7. Powers and duties of the Department of Commerce.

6 (1) The Department of Commerce has the powers and duties specified in this
7 Act, and also the powers necessary or proper to enable it to carry out fully and effectually
8 all the purposes of this Act. The jurisdiction, supervision, powers and duties of
9 Commerce extend to any person who buys, sells, produces, processes, transports, or
10 delivers any marijuana items within this Commonwealth.

11 (2) The function, duties, and powers of Commerce in this Act include the
12 following:

13 (a) To regulate the purchase, sale, production, processing,
14 transportation, and delivery of marijuana items in accordance with the provisions
15 of this Act.

16 (b) To grant, refuse, suspend or cancel licenses for the sale,
17 processing, or production of marijuana items, or other licenses in regard to
18 marijuana items, and to permit, in its discretion, the transfer of a license of any
19 person.

20 (c) To work with the Division of Revenue and Tax to ensure the
21 collection of the taxes and duties imposed by this Act. The Division of Revenue
22 and Tax will have the authority to issue, and provide for cancellation, stamps and
23 other devices as evidence of payment of such taxes or duties.

24 (d) To investigate and aid in the prosecution of every violation of
25 Commonwealth statutes relating to marijuana items, and cooperate in the
26 prosecution of offenders before the Superior Court for the Commonwealth of the
27 Northern Mariana Islands.

1 (e) To adopt such regulations as are necessary and feasible for
2 carrying out the intent and provisions of this Act and to amend or repeal such
3 regulations. When such regulations are adopted they shall have the full force and
4 effect of law.

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

7 (g) To regulate and prohibit any advertising by manufacturers,
8 processors, wholesalers or retailers of marijuana items by the medium of
9 newspapers, letters, billboards, radio or otherwise.

10 (h) To regulate the use of marijuana items for scientific,
11 pharmaceutical, manufacturing, mechanical, industrial and other purposes.

12 (3) On or before April 20, 2017, Commerce shall prescribe forms and adopt
13 such rules and regulations as Commerce deems necessary for the implementation and
14 administration of this Act.

15 (4) Commerce has no power to purchase, own, sell, or possess any marijuana
16 items.

17 SECTION 8. Powers and duties of the Division of Agriculture.

18 The Department of Lands and Natural Resources, Division of Agriculture shall
19 assist and cooperate with Commerce to the extent necessary for Commerce to carry out
20 the duties of Commerce and the authority under this Act.

21 SECTION 9. No liability for official acts.

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

24 SECTION 10. Powers; licenses; federal law.

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

1 (2) Commerce may not revoke or refuse to issue or renew a license under this
2 Act on the basis that manufacturing, distributing, dispensing, possessing, or using
3 marijuana is prohibited by federal law.

4 SECTION 11. Contracts.

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

7 SECTION 12. Licensees and licensee representatives.

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

12 SECTION 13. Purchaser's qualifications.

13 No licensee or licensee representative may sell or deliver any marijuana items to
14 any person under 21 years of age who does not possess a valid prescription or
15 recommendation for marijuana issued by a doctor licensed to practice medicine in the
16 Northern Mariana Islands.

17 SECTION 14. Limitations on purchasing may be imposed.

18 Commerce may limit the quantity of marijuana items purchased at any one time
19 by a consumer so as effectually to prevent the resale of marijuana items.

20 SECTION 15. Requiring identification from certain purchasers.

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

25 (1) The person's passport.

26 (2) The person's motor vehicle operator's license, whether issued in this
27 Commonwealth or by any other State or Territory, so long as the license has a picture of
28 the person.

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

3 (4) A United States military identification card.

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

7 SECTION 16. False concealment of age; Statement of age as defense.

8 (1) No person shall produce any piece of identification that would falsely
9 indicate the person's age.

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

17 SECTION 17. Commerce's licensing duties.

18 (1) On or before April 20, 2017, Commerce shall begin receiving applications
19 for the licensing of persons to produce, process, and sell marijuana within the
20 Commonwealth. Upon receipt of a license application, Commerce shall not unreasonably
21 delay the processing, approval, or rejection of the application or, if the application is
22 approved, the issuance of the license.

23 (2) The licenses described in this Act shall be issued by Commerce, subject to
24 its regulations and restrictions and the provisions of this Act.

25 (3) Commerce may not license a premises that does not have defined
26 boundaries. A licensed premises need not be enclosed by a wall, fence or other structure,
27 but Commerce may require that any licensed premises be enclosed as a condition of
28 issuing or renewing a license. Commerce may not license premises that are mobile.

1 SECTION 18. Production license.

2 (1) The production of marijuana is subject to regulation by Commerce.

3 (2) A marijuana producer must have a production license issued by
4 Commerce for the premises at which the marijuana is produced.

5 (3) A marijuana producer who possesses no more than twenty-five (25) or less
6 mature marijuana plants must have a micro production license issued by Commerce for
7 the premises at which the marijuana is produced.

8 SECTION 19. Processor license.

9 (1) The processing of marijuana items is subject to regulation by Commerce.

10 (2) A marijuana processor must have a processor license issued by Commerce
11 for the premises at which marijuana items are processed.

12 SECTION 20. Wholesale license.

13 (1) The wholesale sale of marijuana items is subject to regulation by
14 Commerce.

15 (2) A marijuana wholesaler must have a wholesale license issued by
16 Commerce for the premises at which marijuana items are received, kept, stored, or
17 delivered.

18 SECTION 21. Retail license.

19 (1) The retail sale of marijuana items is subject to regulation by Commerce.

20 (2) A marijuana retailer must have a retail license issued by Commerce for the
21 premises at which marijuana items are sold.

22 SECTION 22. Examination of books and premises of licensees.

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

27 (2) Commerce shall not require the books of any licensee to be maintained on
28 the premises of the licensee. However, the owner or the agent of the owner must be

1 capable of producing the books of the licensee within three hours of Commerce
2 exercising its right to make an examination of the books.

3 SECTION 23. Multiple Licenses.

4 The same person may hold one or more production licenses, one or more
5 processor licenses, one or more wholesale licenses, and one or more retail licenses.

6 SECTION 24. Characteristics of license.

7 (1) A license granted under this Act shall:

8 (a) Be a purely personal privilege.

9 (b) Be valid for the period stated in the license.

10 (c) Be renewable in the manner provided in this Act, except for a
11 cause which would be grounds for refusal to issue such license as provided by this
12 Act.

13 (d) Be revocable or suspendible as provided in this Act.

14 (e) Be transferable from the premises for which the license was
15 originally issued to another premises subject to the provisions of this Act, any
16 rules of Commerce and any municipal ordinance or local regulation.

17 (f) Cease upon the death of the licensee, except as provided in
18 subsection (2) of this section.

19 (g) Not constitute property.

20 (h) Not be alienable.

21 (i) Not be subject to attachment or execution.

22 (j) Not descend by the laws of testate or intestate devolution.

23 (2) Commerce may, by order, provide for the manner and conditions under
24 which:

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

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

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

7 SECTION 25. License terms; licenses issued for less than year; determination of fees.

8 (1) Except as otherwise provided in this section, all licenses under this
9 Act and renewals thereof shall be issued for a period of one year which shall
10 expire at 12 midnight on April 20 of each year.

11 (2) Notwithstanding subsection (1) of this section, a license issued for
12 the first time to an applicant may be issued for less than a year. The fee for a
13 license issued for less than a year under this subsection is the annual license fee
14 prescribed by this Act.

15 SECTION 26. Delivery of marijuana.

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

22 SECTION 27. Application for license; rules; fees.

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

1 until the applicant has complied with the provisions of this Act and the rules of
2 Commerce.

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

6 (3) Commerce shall give applicants an opportunity to be heard if it refuses to
7 issue or renew a license under this Act.

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

11 (5) The annual license fee for any license, except a micro production license,
12 granted by this Act shall be \$1,000. The license fee is nonrefundable and shall be paid by
13 each applicant upon the granting or committing of a license.

14 (6) The annual license fee for a micro production license shall be \$500. The
15 license fee is nonrefundable and shall be paid by each applicant upon the granting or
16 committing of a license.

17 SECTION 28. Grounds for refusing to issue license.

18 (1) Commerce may not license any applicant under the provisions of this Act
19 if the applicant is under 21 years of age.

20 (2) Commerce may refuse to license any applicant under the provisions of this
21 Act if Commerce has reasonable ground to believe any of the following to be true:

22 (a) That the applicant or any of its employees:

23 (A) Is in the habit of using alcoholic beverages, habit-forming
24 drugs, marijuana, or controlled substances to excess.

25 (B) Has made false statements to Commerce.

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

28 (D) Has maintained an insanitary establishment.

1 (E) Is not of good repute and moral character.

2 (F) Did not have a good record of compliance with this Act or
3 any rule of Commerce adopted pursuant thereto.

4 (G) Is not the legitimate owner of the business proposed to be
5 licensed, or other persons have ownership interests in the business which
6 have not been disclosed.

7 (H) Is not possessed of or has not demonstrated financial
8 responsibility sufficient to adequately meet the requirements of the
9 business proposed to be licensed.

10 (I) Is unable to understand the laws of Commonwealth relating
11 to marijuana or the rules of Commerce.

12 (J) Has a demonstrated history of changing the ownership or
13 name of a prior business so as to avoid fines, penalties, payment of
14 judgments, or applications for renewal.

15 (3) Notwithstanding subparagraph (2) of this section, in determining whether
16 Commerce may refuse to license an applicant, Commerce may not consider the prior
17 conviction of the applicant or any owner, director, officer, manager, employee, agent, or
18 other representative of the applicant for:

19 (a) The manufacture of marijuana, if:

20 (A) The date of the conviction is more than ten years before the
21 date of the application; and

22 (B) The person has not been convicted more than once for the
23 manufacture or delivery of marijuana;

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

25 (A) The date of the conviction is more than ten years before the
26 date of the application; and

27 (B) The person has not been convicted more than once for the
28 manufacture or delivery of marijuana; or

1 (c) The possession of marijuana.

2 SECTION 29. Grounds for cancellation or suspension of license.

3 (1) Commerce may cancel or suspend any license issued under this Act, if
4 Commerce finds or has reasonable ground to believe any of the following to be true:

5 (a) That the licensee:

6 (A) Has violated any provision of this Act or any rule of
7 Commerce adopted pursuant thereto.

8 (B) Has made any false representation or statement to
9 Commerce in order to induce or prevent action by Commerce.

10 (C) Has maintained an unsafe or insanitary establishment.

11 (D) Is insolvent or incompetent or physically unable to carry on
12 the management of the establishment of the licensee.

13 (E) Is in the habit of using alcoholic liquor, habit-forming
14 drugs, marijuana, or controlled substances to excess.

15 (F) Has misrepresented to a customer or the public any
16 marijuana items sold by the licensee.

17 (G) Since the granting of the license, has been convicted of a
18 felony, of violating any of the marijuana laws of this Commonwealth,
19 general or local, or of any misdemeanor or violation of any municipal
20 ordinance committed on the licensed premises.

21 (b) That there is any other reason that, in the opinion of Commerce,
22 based on public convenience or necessity, warrants canceling or suspending such
23 license.

24 SECTION 30. Administration by Commerce.

25 Commerce shall administer this Act, and shall prescribe forms and make such
26 rules and regulations as it deems necessary to enforce this Act.

27 SECTION 31. Definition of "sale".

1 (1) As used in this Act, “sale” or “sold” means any transfer, exchange or
2 barter, in any manner or by any means, for a consideration, and includes and means all
3 sales made by any person. It includes a gift by a person engaged in the business of selling
4 marijuana, for advertising, as a means of evading this Act, or for any other purpose.

5 (2) If a marijuana producer also holds one or more processor licenses, one or
6 more wholesale licenses, or one or more retail licenses, a sale of marijuana flowers,
7 marijuana leaves, or immature marijuana plants will be deemed to occur if and when the
8 marijuana producer processes or takes any other action with respect to such marijuana
9 flowers, marijuana leaves, or immature marijuana plants for which a processor license,
10 wholesale license, or retail license is required, regardless of whether the marijuana
11 producer continues to own or possess the marijuana flowers, marijuana leaves, or
12 immature marijuana plants.

13 SECTION 32. Tax on marijuana.

14 (1) A tax is imposed upon the privilege of engaging in business as a marijuana
15 producer at the rate of:

- 16 (a) \$35 per ounce on all marijuana flowers;
- 17 (b) \$10 per ounce on all marijuana leaves; and
- 18 (c) \$5 per immature marijuana plant.

19 (2) Prior to 2022, no tax shall be imposed upon the privilege of engaging in
20 business as a marijuana producer for marijuana produced on islands north of Saipan.
21 Thereafter, Commerce shall, by regulation, determine the appropriate tax for marijuana
22 produced on islands north of Saipan. Provided, marijuana produced on islands north of
23 Saipan may not be taxed at a higher rate than marijuana produced elsewhere in the
24 Northern Mariana Islands.

25 (3) The rates of tax imposed by this section upon marijuana flowers and
26 marijuana leaves apply proportionately to quantities of less than one ounce.

27 (4) The tax imposed by this section shall be measured by the quantities of
28 marijuana flowers, marijuana leaves, and immature marijuana plants produced and sold

1 by any marijuana producer. The taxes specified in this section shall be levied and
2 assessed to the marijuana producer at the time of the first sale of the marijuana flowers,
3 marijuana leaves, and immature marijuana plants by the marijuana producer.

4 (5) For reporting periods beginning on or after April 20, 2020, the rates of tax
5 under subsection (1) of this section may be adjusted once every two years by Division of
6 Revenue and Taxation. The Division of Revenue and Taxation may re-compute the rates
7 by considering the cost of regulation, the cost of law enforcement, the cost to the
8 healthcare system, and the best interests of the Commonwealth. The tax rate may not
9 increase or decrease by more than 10% during a single adjustment.

10 (6) The Division of Revenue and Taxation shall regularly review the rates of
11 tax under subsection (1) of this section and make recommendations to the Legislature
12 regarding appropriate adjustments to the rates that will further the purposes of:

13 (a) Maximizing net revenue;

14 (b) Minimizing the illegal marijuana industry in the Commonwealth; and

15 (c) Discouraging the use of marijuana by minors under 21 years of age.

16 SECTION 33. Payment of taxes; refunds; interest or penalty; appeal.

17 (1) The privilege tax imposed by this Act shall be paid to the Department of
18 Finance Division of Revenue and Taxation. The taxes covering the periods for which
19 statements are required to be rendered by this Act shall be paid before the time for filing
20 such statements expires. If not so paid, a penalty of 10 percent and interest at the rate of
21 one percent a month or fraction of a month shall be added and collected. Revenue and
22 Taxation may refund any tax payment imposed upon or paid in error by any licensee.

23 (2) Revenue and Taxation may waive any interest or penalty assessed to a
24 marijuana producer subject to the tax imposed by this Act if, in its discretion, determines
25 that the marijuana producer has made a good faith attempt to comply with the taxation
26 requirements of this Act.

27 (3) Except in the case of fraud, Revenue and Taxation may not assess any
28 interest or penalty on any tax due under this Act following the expiration of 36 months

1 from the date on which was filed the statement required by this Act reporting the
2 quantities of marijuana flowers, marijuana leaves, and immature marijuana plants upon
3 which the tax is due.

4 SECTION 34. Statements by marijuana producers as to quantities sold.

5 On or before the 20th day of each month, every marijuana producer shall file with
6 the Division of Revenue and Taxation a statement of the quantities of marijuana flowers,
7 marijuana leaves, and immature marijuana plants sold by the marijuana producer during
8 the preceding calendar month. Given the difficulty in communication, the reporting
9 requirement may be altered by regulation for islands north of Saipan.

10 SECTION 35. Estimate by Division of Revenue and Taxation when Statement not filed
11 or false Statement filed.

12 If any marijuana producer fails, neglects or refuses to file a statement required by
13 SECTION 34 of this Act or files a false statement, the Division of Revenue and Taxation
14 shall estimate the quantities of marijuana flowers, marijuana leaves, and immature
15 marijuana plants sold by the marijuana producer and assess the privilege taxes thereon.
16 The marijuana producer shall be estopped from complaining of the quantities so
17 estimated.

18 SECTION 36. Lien created by the tax.

19 The privilege tax required to be paid by this Act constitutes a lien upon, and has
20 the effect of an execution duly levied against, any and all property of the marijuana
21 producer, attaching at the time the marijuana flowers, marijuana leaves, and immature
22 marijuana plants subject to the tax were sold, and remaining until the tax is paid. The lien
23 created by this section is paramount to all private liens or encumbrances.

24 SECTION 37. Records to be kept by marijuana producers.

25 Every marijuana producer shall keep a complete and accurate record of all sales
26 of marijuana flowers, marijuana leaves, and immature marijuana plants, and a complete
27 and accurate record of the number of ounces of marijuana flowers produced, the number
28 of ounces of marijuana leaves produced, the number of immature marijuana plants

1 produced, and the dates of production. The records shall be in such form and contain such
2 other information as Commerce may prescribe.

3 SECTION 38. Inspection of marijuana producer's records; records to be kept for
4 prescribed period.

5 (1) Commerce may, at any time, examine the books and records of any
6 marijuana producer, and may appoint auditors, investigators and other employees that
7 Commerce considers necessary to enforce its powers and perform its duties under this
8 Act.

9 (2) Every marijuana producer shall maintain and keep for two years all
10 records, books and accounts required by this Act and shall provide copies of those
11 records, books and accounts to Commerce when requested by Commerce.

12 SECTION 39. Failure to pay tax or maintain records.

13 (1) No marijuana producer shall:

14 (a) Fail to pay the privilege tax prescribed by this Act when it is due;

15 or

16 (b) Falsify the Statement required by SECTION 34 of this Act.

17 (2) No person shall:

18 (a) Refuse to permit Commerce or any of its representatives to make
19 an inspection of the books and records authorized by this Act;

20 (b) Fail to keep books of account prescribed by Commerce or required
21 by this Act;

22 (c) Fail to preserve the books for two years for inspection of
23 Commerce; or

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

27 SECTION 40. Disposition of moneys; revolving fund.

1 (1) All money collected by Division of Revenue and Taxation under this Act
2 shall be credited to a suspense account on behalf of Commerce. Whenever Commerce
3 determines that moneys have been received by it in excess of the amount legally due and
4 payable to Commerce or that it has received money to which it has no legal interest, or
5 that any license fee or deposit is properly refundable, Commerce is authorized to direct
6 Revenue and Taxation to refund such money by check and charged to the suspense
7 account of Commerce. After withholding refundable license fees and such sum, not to
8 exceed \$100,000, as it considers necessary as a revolving fund for a working cash
9 balance for the purpose of paying travel expenses, advances, other miscellaneous bills
10 and extraordinary items which are payable in cash immediately upon presentation,
11 Commerce shall direct the Revenue and Taxation to transfer the money remaining in the
12 suspense account to the Commonwealth Marijuana Account established under this Act.
13 Moneys in the Commonwealth Marijuana Account are continuously appropriated to
14 Commerce to be distributed and used as required or allowed by Commonwealth law.

15 (2) All necessary expenditures of Commerce incurred in carrying out this Act,
16 including such sums necessary to reimburse the \$100,000 revolving fund, shall be paid
17 from the Commonwealth Marijuana Account.

18 SECTION 41. Distribution of available moneys in Commonwealth Marijuana Account.

19 (1) There is established the Commonwealth Marijuana Account, separate and
20 distinct from the General Fund.

21 (2) At the end of each month, Revenue and Taxation shall certify the amount
22 of moneys available for distribution in the Commonwealth Marijuana Account and, after
23 withholding such moneys as Commerce may deem necessary to carry out its obligations
24 under this Act, shall within 35 days of the month for which a distribution is made
25 distribute the moneys as follows:

26 (a) Twenty-five (25) percent shall be transferred as payment towards
27 the Settlement Fund, which resulted from the Northern Mariana Retirement Fund
28 Defined Benefit Plan. If the Office of the Attorney General certifies that the

1 Commonwealth has no remaining obligation to pay the Settlement Fund, then the
2 twenty percent to be paid under this section shall be transferred to the General
3 Fund;

4 (b) Twenty-five (25) percent shall be transferred to the Commonwealth
5 Healthcare Corporation strictly for the establishment, operation, and maintenance
6 of alcohol and drug abuse prevention, early intervention, and treatment services;

7 (c) Twenty-five (25) percent shall be transferred to the Public School
8 System for substance abuse education programs and school infrastructure
9 projects.

10 (d) The remainder shall be transferred to the General Fund;

11 (3) It is the intent of this section that the moneys distributed from the
12 Commonwealth Marijuana Account to the distributees in subsection (2) of this section are
13 in addition to any other available moneys to such distributees and do not supplant moneys
14 available from any other source.

15 SECTION 42. Importing and exporting marijuana prohibited.

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

21 (2) A violation of subsection (1) of this section is a:

22 (a) Class C felony, if the importation or exportation is for
23 consideration; or

24 (b) Class A misdemeanor, if the importation or exportation is not for
25 consideration.

26 SECTION 43. Marijuana may not be given as prize.

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

1 SECTION 44. Providing marijuana to intoxicated person; allowing consumption by
2 minor on property.

3 (1) A person may not sell, give or otherwise make available any marijuana
4 items to any person who is visibly intoxicated.

5 (2) (a) A person who exercises control over private real property may not
6 knowingly allow any other person under the age of 21 years to consume
7 marijuana items on the property, or allow any other person under the age of 21
8 years to remain on the property if the person under the age of 21 years consumes
9 marijuana items on the property.

10 (b) This subsection:

11 (A) Applies only to a person who is present and in control of
12 the location at the time the consumption occurs; and

13 (B) Does not apply to the owner of rental property, or the agent
14 of an owner of rental property, unless the consumption occurs in the
15 individual unit in which the owner or agent resides.

16 (C) Does not apply if the person under the age of 21 has a valid
17 prescription or recommendation for marijuana issued by a doctor licensed
18 in the Northern Mariana Islands.

19 SECTION 45. Misrepresentation by licensee and others; maintenance of disorderly
20 establishment.

21 (1) No person shall make false representations or Statements to Commerce in
22 order to induce or prevent action by Commerce.

23 (2) No licensee of Commerce shall maintain a noisy, lewd, disorderly or
24 insanitary establishment or supply impure or otherwise deleterious marijuana items.

25 (3) No licensee of Commerce shall misrepresent to a customer or to the public
26 any marijuana items.

27 SECTION 46. Attempted purchase of marijuana by person under 21; entry of licensed
28 premises by person under 21.

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

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

6 (3) A person who violates subsection (1) or (2) of this section commits a
7 Class B violation.

8 (4) In addition to and not in lieu of any other penalty established by law, a
9 person under 21 years of age who violates subsection (1) of this section through
10 misrepresentation of age may be required to perform community service and the court
11 shall order that the person's driving privileges and right to apply for driving privileges be
12 suspended for a period not to exceed one year. If a court has issued an order suspending
13 driving privileges under this section, the court, upon petition of the person, may withdraw
14 the order at any time the court deems appropriate.

15 (5) If a person cited under this section is at least 13 years of age but less than
16 21 years of age at the time the person is found in default for failure to appear, in addition
17 to and not in lieu of any other penalty, the court shall issue notice to the Department of
18 Motor Vehicles to suspend the person's driving privileges for no less than six months and
19 no more than one year.

20 (6) The prohibitions of this section do not apply to a person under 21 years of
21 age who is acting under the direction of Commerce or under the direction of
22 Commonwealth or local law enforcement agencies for the purpose of investigating
23 possible violations of laws prohibiting sales of marijuana items to persons who are under
24 21 years of age.

25 (7) The prohibitions of this section do not apply to a person under 21 years of
26 age who has a valid prescription or recommendation for marijuana issued by a doctor
27 licensed in the Northern Mariana Islands.

28 SECTION 47. Compliance with standards.

1 (1) No marijuana items shall be sold or offered for sale within this
2 Commonwealth unless such marijuana items comply with the minimum standards fixed
3 pursuant to law.

4 (2) Commerce may require a marijuana producer, marijuana processor, or
5 marijuana wholesaler to provide a laboratory analysis demonstrating to the satisfaction of
6 Commerce that particular marijuana items comply with the minimum standards in this
7 Commonwealth.

8 (3) No marijuana items offered for sale within this Commonwealth may be
9 altered or tampered with in any way by any person not licensed to do so by Commerce.

10 (4) Commerce may prohibit the sale of any marijuana items for a reasonable
11 period of time while it is determining whether the marijuana items comply with minimum
12 standards in this Commonwealth.

13 (5) Commerce shall by regulation prohibit the sale of any marijuana items
14 during elections.

15 SECTION 48. Use of misleading mark or label on container; injurious or adulterated
16 ingredients.

17 (1) No licensee shall use or allow the use of any mark or label on the
18 container of any marijuana items which are kept for sale, if the container does not
19 precisely and clearly indicate the nature of its contents or in any way might deceive any
20 customer as to the nature, composition, quantity, age or quality of such marijuana items.

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

24 SECTION 49. Minimum age requirement.

25 (1) A licensee may not employ any person under 21 years of age in any part
26 of any licensed premises.

27 (2) During any inspection of a licensed premises, Commerce may require
28 proof that a person performing work at the premises is 21 years of age or older. If the

1 person does not provide Commerce with acceptable proof of age upon request,
2 Commerce may require the person to immediately cease any activity and leave the
3 premises until Commerce receives acceptable proof of age. This subsection does not
4 apply to a person temporarily at the premises to make a service, maintenance or repair
5 call or for other purposes independent of the premises operations.

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

12 SECTION 50. Mature marijuana plants.

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

15 (2) No licensee may sell a mature marijuana plant.

16 SECTION 51. Use of marijuana in public place prohibited.

17 (1) It is unlawful for any person to engage in the use of marijuana items in a
18 public place.

19 (2) A violation of subsection (1) of this section is a Class B violation.

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

24 (a) Any government building;

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

27 (b) Any school or school property, whether public or private;

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

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

5 (4) An individual possessing marijuana in accordance with subsection (3) may
6 not possess more than 3.5 grams of marijuana;

7 (5) A violation of subsection (3) of this section is a Class B misdemeanor.

8 (6) Notwithstanding any law to the contrary, Commerce may issue a permit
9 allowing the use of marijuana in a public place.

10 (a) If the permit is for the continuing use of marijuana in a public
11 place, then the permit will only be issued for the use of marijuana on a premises
12 owned or operated by the applicant and must describe the time, place, and manner
13 that marijuana may be possessed on the premises.

14 (b) If the permit is issued for a special event, then the permit may alter
15 the amount of marijuana items that may be possessed by individuals, businesses,
16 and others at the special event.

17 (c) Commerce may not issue a permit for a period greater than one
18 year. Commerce must provide notice and hold a public hearing prior to granting a
19 permit under this Section.

20 (d) Commerce may charge a reasonable fee and require any condition
21 that it deems reasonable or necessary for the issuance of a permit.

22 SECTION 52. Possession of marijuana in correctional facility prohibited.

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

25 (2) A violation of subsection (1) of this section is a Class C felony.

26 SECTION 53. Homemade marijuana extracts prohibited.

27 No person may produce, process, keep, or store homemade marijuana extracts.

28 SECTION 54. Marijuana laws supersede and repeal inconsistent local laws.

1 This Act, designed to operate uniformly throughout the Commonwealth, shall be
2 paramount and superior to and shall fully replace and supersede any and all laws
3 inconsistent with it. Such laws hereby are repealed.

4 SECTION 55. Authority of Local Legislative Delegations.

5 (1) Local Legislative Delegations may adopt reasonable time, place and
6 manner regulations of the nuisance aspects of establishments that sell marijuana to
7 consumers.

8 (2) The authority granted to Local Legislative Delegations by this section is in
9 addition to, and not in lieu of, the authority granted by Commonwealth law and the
10 Constitution of this Commonwealth.

11 SECTION 56. Duty of law enforcement to enforce and inform the Attorney General.

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

18 SECTION 57. Confiscation of marijuana and property.

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

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

25 (a) The marijuana items shall be forfeited to an appropriate
26 Commonwealth or local law enforcement agency, and shall be delivered by the
27 court or officer to the law enforcement agency; and

1 (b) Subject to other applicable law, the other property shall be
2 forfeited to Commerce, and shall be delivered by the court or officer to
3 Commerce.

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

11 SECTION 58. Duty to notify Commerce of conviction of licensee.

12 The Superior Court and the Attorney General, immediately upon the conviction of
13 any licensee of Commerce of a violation of any provision of this Act or the violation of
14 any other law of this Commonwealth or ordinance of any municipality therein, in which
15 violation marijuana had any part, shall notify Commerce thereof. The Attorney General
16 or any law agency shall notify Commerce of any acts, practices or other conduct of any
17 such licensee which may be subversive of the general welfare or contrary to the spirit of
18 this Act and shall recommend such action on the part of Commerce as will remove the
19 evil.

20 SECTION 59. Property and places as common nuisances.

21 Any room, house, building, boat, structure or place of any kind where marijuana
22 items are sold, manufactured, bartered or given away in violation of Commonwealth law,
23 or where persons are permitted to resort for the purpose of using marijuana items in
24 violation of Commonwealth law, or any place where marijuana items are kept for sale,
25 barter or gift in violation of Commonwealth law, and all marijuana items or property
26 subject to confiscation under this Act kept and used in such place is a common nuisance.
27 Any person who maintains or assists in maintaining such common nuisance or knowingly

1 suffers or permits such nuisance to exist in any place of which the person is the owner,
2 manager or lessor, shall be guilty of a violation of this Act.

3 SECTION 60. Lien on place used to unlawfully handle marijuana.

4 If it is proved that the owner of any building or premises knowingly has suffered
5 the same to be used or occupied for the manufacture, sale or possession of marijuana
6 items, contrary to the provisions of this Act, such building or premises are subject to a
7 lien for, and may be sold to pay all fines and costs assessed against their occupants for
8 any violation of this Act. The lien shall be enforced immediately by civil action in any
9 court having jurisdiction, by the Attorney General.

10 SECTION 61. Governor authorized to suspend license.

11 In case of invasion, disaster, insurrection, riot, or imminent danger thereof, the
12 Governor may, for the duration of such invasion, disaster, insurrection, riot, or imminent
13 danger thereof, immediately suspend without notice any license in the Commonwealth
14 granted under this Act.

15 SECTION 62. Penalties.

16 (1) Except where other punishment is specifically provided for in sections of
17 this Act, violation of any provision of this Act is a Class A misdemeanor.

18 (2) The penalties provided for by this Act relating to the collection or payment
19 of a tax are in addition to, and do not replace, other penalties provided for by
20 Commonwealth law.

21 (3) Violation of any regulation promulgated under SECTION 7(2)(e) of this
22 Act is a Class A violation. Commerce may reduce the penalty provided by this subsection
23 to a Class C violation.

24 SECTION 63. The following statutes are repealed and shall be renumbered, subject to
25 the discretion of the Law Revision Commission:

- 26 (1) 6 CMC § 2114(c)(13);
27 (2) 6 CMC § 2141(c);
28 (3) 6 CMC § 2142(c).

1 SECTION 64. Use of marijuana while driving; penalty.

2 (1) A person commits the offense of use of marijuana while driving if the
3 person uses any marijuana while driving a motor vehicle upon a highway or operating a
4 boat at sea.

5 (2) The offense described in this section, use of marijuana while driving, is a
6 Class A misdemeanor.

7 (3) A prosecution for using marijuana while driving a motor vehicle does not
8 preclude a prosecution for driving under the influence of marijuana while driving a motor
9 vehicle.

10 SECTION 65. Sale of drug paraphernalia prohibited; definition of drug paraphernalia;
11 exceptions.

12 (1) It is unlawful for any person to sell or deliver, possess with intent to sell or
13 deliver or manufacture with intent to sell or deliver drug paraphernalia, knowing that it
14 will be used to unlawfully plant, propagate, cultivate, grow, harvest, manufacture,
15 compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain,
16 conceal, inject, ingest, inhale or otherwise introduce into the human body a controlled
17 substance.

18 (2) For the purposes of this section, “drug paraphernalia” means all
19 equipment, products and materials of any kind which are marketed for use or designed
20 for use in planting, propagating, cultivating, growing, harvesting, manufacturing,
21 compounding, converting, producing, processing, preparing, testing, analyzing,
22 packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling or
23 otherwise introducing into the human body a controlled substance in violation of
24 Commonwealth law. Drug paraphernalia includes, but is not limited to:

25 (a) Kits marketed for use or designed for use in unlawfully planting,
26 propagating, cultivating, growing or harvesting of any species of plant which is a
27 controlled substance or from which a controlled substance can be derived;

1 (b) Kits marketed for use or designed for use in manufacturing,
2 compounding, converting, producing, processing or preparing controlled
3 substances;

4 (c) Isomerization devices marketed for use or designed for use in
5 increasing the potency of any species of plant which is a controlled substance;

6 (d) Testing equipment marketed for use or designed for use in
7 identifying or in analyzing the strength, effectiveness or purity of controlled
8 substances;

9 (e) Scales and balances marketed for use or designed for use in
10 weighing or measuring controlled substances;

11 (f) Diluents and adulterants, such as quinine hydrochloride, mannitol,
12 mannite, dextrose and lactose, marketed for use or designed for use in cutting
13 controlled substances;

14 (g) Separation gins and sifters marketed for use or designed for use in
15 removing twigs and seeds from, or in otherwise cleaning or refining marijuana;

16 (h) Containers and other objects marketed for use or designed for use
17 in storing or concealing controlled substances; and

18 (3) Drug paraphernalia does not include hypodermic syringes or needles.

19 (4) Drug paraphernalia does not include marijuana paraphernalia.

20 (5) For the purposes of this section, “marijuana paraphernalia” means all
21 equipment, products and materials of any kind which are marketed for use or designed
22 for use in planting, propagating, cultivating, growing, harvesting, manufacturing,
23 compounding, converting, producing, processing, preparing, testing, analyzing,
24 packaging, repackaging, storing, containing, concealing, injecting, ingesting, inhaling or
25 otherwise introducing into the human body marijuana.

26 (6) In determining whether an object is drug paraphernalia or marijuana
27 paraphernalia, a trier of fact should consider, in addition to all other relevant factors, the
28 following:

- 1 (a) Instructions, oral or written, provided with the object concerning
- 2 its use;
- 3 (b) Descriptive materials accompanying the object which explain or
- 4 depict its use;
- 5 (c) National and local advertising concerning its use;
- 6 (d) The manner in which the object is displayed for sale;
- 7 (e) The existence and scope of legitimate uses for the object in the
- 8 community; and
- 9 (f) Any expert testimony which may be introduced concerning its use.

10 SECTION 66. Unlawful manufacture of marijuana.

11 (1) Except for licensees and licensee representatives, and except for a person

12 acting within the scope of and in compliance with SECTION 6(1) of this Act, it is

13 unlawful for any person to manufacture marijuana.

14 (2) Unlawful manufacture of marijuana is a Class B felony.

15 (3) Notwithstanding subsection (2) of this section, unlawful manufacture of

16 marijuana is a Class C felony, if a person 21 years of age or older manufacture

17 homegrown marijuana and the total number of homegrown marijuana plants is less than

18 fifty.

19 (4) Notwithstanding subsection (3) of this section, unlawful manufacture of

20 marijuana is a Class A violation, if a person 21 years of age or older manufactures

21 homegrown marijuana at a household and the total number of homegrown marijuana

22 plants at the household exceeds ten mature marijuana plants but does not exceed fifteen

23 mature marijuana plants. If a person has a previous conviction for violation of this

24 section, then unlawful manufacture of marijuana punishable by this subsection is a Class

25 B misdemeanor.

26 (5) As used in subsection (3) of this section, the terms “homegrown” and

27 “household” have the meanings given to them in this Act.

28 SECTION 67. Unlawful delivery of marijuana.

1 (1) Except for licensees and licensee representatives as defined in this Act,
2 and except for a person acting within the scope of and in compliance with SECTION
3 6(1)of this Act, it is unlawful for any person to deliver marijuana.

4 (2) Unlawful delivery of marijuana is a:

5 (a) Class C felony if the delivery is for consideration.

6 (b) Class A misdemeanor if the delivery is for no consideration.

7 (3) Notwithstanding subsection (2) of this section, unlawful delivery of
8 marijuana is a:

9 (a) Class A violation, if the delivery is for no consideration and
10 consists of less than one avoirdupois ounce of the dried leaves, stems and flowers
11 of the plant Cannabis family Moraceae.

12 (4) Notwithstanding subsections (2) and (3) of this section, unlawful delivery
13 of marijuana is a:

14 (a) Class A felony, if the delivery is to a person under 18 years of age
15 and the defendant is at least 18 years of age and is at least three years older than
16 the person to whom the marijuana is delivered and the defendant was previously
17 convicted of any crime involving the sale or delivery of marijuana to a person
18 under 18 years of age; or

19 (b) Class C felony, if the delivery is a person under 18 years of age
20 and the defendant is at least 18 years of age and is at least three years older than
21 the person to whom the marijuana is delivered; or

22 (c) Class A misdemeanor, if the delivery:

23 (A) Is for consideration;

24 (B) Consists of less than one ounce of the dried leaves, stems
25 and flowers of the plant Cannabis family Moraceae; and

26 (C) Is to a person who is 18 years of age or older, but less than
27 21 years of age.

28 (d) Class C misdemeanor, if the delivery:

- 1 (A) Is for no consideration;
- 2 (B) Consists of less than five grams of the dried leaves, stems
3 and flowers of the plant Cannabis family Moraceae; and
- 4 (C) Is to a person who is 18 years of age or older.

5 SECTION 68. Unlawful possession of marijuana.

6 (1) It is unlawful for any person under 21 years of age knowingly or
7 intentionally to possess marijuana or marijuana product unless the person has a
8 prescription or recommendation for marijuana issued by a doctor licensed in the Northern
9 Mariana Islands.

10 (2) (a) Unlawful possession of four avoirdupois ounces or more of
11 marijuana by a person under 21 years of age is a Class C felony.

12 (b) Unlawful possession of one avoirdupois ounce of marijuana or
13 more, but less than four avoirdupois ounces, by a person under 21 years of age is
14 a Class B misdemeanor.

15 (c) Unlawful possession of less than one avoirdupois ounce of
16 marijuana by a person under 21 years of age is a Class A violation.

17 (3) (a) Unlawful possession of one-quarter avoirdupois ounce or more of
18 marijuana product by a person under 21 years of age is a Class A misdemeanor.

19 (b) Unlawful possession of less than one-quarter avoirdupois ounce of
20 marijuana product by a person under 21 years of age is a Class B misdemeanor.

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

23 (a) More than one ounce of usable marijuana in a public place.

24 (b) More than sixteen ounces of usable marijuana.

25 (c) More than sixteen ounces of marijuana products in solid form.

26 (d) More than seventy-two ounces of marijuana products in liquid
27 form.

28 (e) More than one ounce of marijuana extracts.

1 (f) Any marijuana extracts that were not purchased from a licensed
2 marijuana retailer.

3 (5) A violation of paragraphs (a) to (e) of subsection (4) of this section is a:

4 (a) Class C felony, if the amount possessed is more than four times the
5 applicable maximum amount specified in subsection (4) of this section;

6 (b) Class A misdemeanor, if the amount possessed is more than two
7 times, but not more than four times, the applicable maximum amount specified in
8 subsection (4) of this section; or

9 (c) Class A violation, if the amount possessed is not more than two
10 times the applicable maximum amount specified in subsection (4) of this section.

11 (6) A violation of paragraph (f) of subsection (4) of this section is a:

12 (a) Class C felony, if the amount possessed is more than one-quarter
13 ounce of such marijuana extracts; or

14 (b) Class B misdemeanor, if the amount possessed is not more than
15 one-quarter ounce of such marijuana extracts.”

16 SECTION 69. Interpretation.

17 This Act is modeled on Oregon’s marijuana laws. The Commonwealth Judiciary,
18 the Attorney General, Commerce, and any other government entity of the
19 Commonwealth shall consider case precedent in Oregon to be persuasive when
20 interpreting this Act.

21 SECTION 70. Severability.

22 If any provision of this Act or the application of any such provision to any person
23 or circumstance should be held invalid by a court of competent jurisdiction, the
24 remainder of this Act or the application of its provisions to persons or circumstances
25 other than those to which it is held invalid shall not be affected thereby.

26 SECTION 71. Savings Clause.

27 This Act and any repealer contained herein shall not be construed as affecting any
28 existing right acquired under contract or acquired under statutes repealed or under any

1 rule, regulation or order adopted under the statutes. Repealers contained in this Act shall
2 not affect any proceeding instituted under or pursuant to prior law. The enactment of this
3 Act shall not have the effect of terminating, or in any way modifying, any liability civil or
4 criminal, which shall already be in existence at the date this Act becomes effective.

5 SECTION 72. Effective Date.

6 This Act shall take effect upon its approval by the Governor or upon its becoming
7 law without such approval.

Date: 07/19/16

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

Reviewed for Introduction Purposes by:

/s/ Antonette R. Villagomez
Senate Legal Counsel