



The Senate
NORTHERN MARIANAS COMMONWEALTH LEGISLATURE
P.O. BOX 500129
SAIPAN, MP 96950

STANDING COMMITTEE REPORT NO. 21-22

Date: July 9, 2019

RE: House Bill No. 21-13, HD1

Adopted 7/17/19 JPC

Honorable Victor B. Hocog
President of the Senate
Twenty-First Northern Marianas
Commonwealth Legislature
Saipan, MP 96950

Dear Mr. President:

Your Committee on Fiscal Affairs, to which was referred House Bill No. 21-13, House Draft 1, entitled:

To amend Public Law No. 20-66 and 4 CMC § 53001, et seq., the Taulamwaar Sensible CNMI Cannabis Act of 2018.

begs leave to report as follows:

I. RECOMMENDATION:

After considerable discussion and deliberation, your Committee recommends the passage of House Bill No. 21-13, HD1, in the form of Senate Substitute 1.

II. ANALYSIS:

A.) Purpose:

The purpose of House Bill No. 21-13, HD1 is to amend Public Law No. 20-66 and 4 CMC § 53001, et seq., the Taulamwaar Sensible CNMI Cannabis Act of 2018 to incorporate the recommended changes to certain provisions of the Act made by the Governor, the Attorney General, and the Cannabis Commission.

B.) Committee Findings:

Your Committee finds that when the Taulamwaar Sensible CNMI Cannabis Act of 2018 was signed into law that it was accompanied by several line items disapproved by Governor Ralph DLG. Torres based on several concerns raised by the Attorney General in his communication to the presiding officers of the Legislature. Accordingly, in order for the line item vetoes to take effect, action to delete these vetoed items must be done by the Legislature. After review of the proposed line item vetoes to be deleted, your Committee concurs to the proposed amendments to address the concerns by the Governor and the Attorney General.

Your Committee further finds that House Bill 21-13, HD1 inserted proposed amendments to delete any reference to establishing the hemp industry within the CNMI under the Taulamwaar Sensible CNMI Cannabis Act of 2018, in line with the 2018 Farm Bill that nationally legalized industrial hemp, with the assurance that the House would introduce a stand-alone bill to establish a hemp industry in the CNMI. Furthermore, your Committee is aware that House Bill No. 21-55, entitled the "CNMI Hemp Farming Industry Act of 2019" has been introduced and awaiting action by the House of Representatives.

Your Committee is cognizant of the implications of the 2018 Farm Bill that allows for the regulations in production, commerce, and research to be done on a state level with USDA approval. Additionally, your Committee fully supports the intent of establishing a hemp industry in the Commonwealth as originally proposed during the initial deliberations of establishing the cannabis industry in the CNMI at a time when hemp was still categorized under Schedule 1-controlled substances. However, your Committee concurs that such proposed amendments to delete any reference of hemp in the current statute that codified the Taulamwaar Sensible CNMI Cannabis Act of 2018 should be embedded into House Bill No. 21-55, which seeks to establish the regulations of the hemp industry in the CNMI under the Department of Lands and Natural Resources. For this reason, your Committee rejected all the proposed House amendments to delete any reference to hemp to maintain the original provision under the Taulamwaar Sensible CNMI Cannabis Act of 2018 in order that the proposed amendment to delete these provisions be included under House Bill No. 21-55.

Your Committee further finds that during the initial stages of establishing a cannabis industry in the Commonwealth that the intention of the Act was to prohibit the use, exposure, or display to persons under the age of 21; provide persons an opportunity to avail of the medicinal value derived from marijuana products, most especially persons with valid documentation as a medical marijuana patient; and to provide local entrepreneurs the opportunity to venture into the industry without being overshadowed by large corporations. During deliberations, your Committee recalled the many testimonies that were provided in support of these intentions during the public hearings conducted during the early stages of what would become the final product of the Taulamwaar Sensible