

Mille Lacs Band of Ojibwe

<u>Department of Cannabis Regulation</u> <u>Cannabis Regulations</u>

October 14, 2025

NOTICE OF ADOPTION

Pursuant to 15 MLBSA § 1203(f)(iii)(B), this serves as the official Notice of Adoption the following:

Cannabis Regulation – 3: EMPLOYEE LICENSING

Summary of changes, to CR – 3: EMPLOYEE LICENSING include:

The purpose of this regulation is to set forth the standards, processes, and procedures by which: (1) applicants may seek non-transferable employee licenses for the privilege of participating in commercial cannabis activity under the laws and regulations of the Band, and (2) the Department shall review and process employee license applications, including determinations of an applicant's suitability to possess a license, consistent with the requirements under 15 MLBS §§ 1201-1225 (hereinafter referred to as the "Code").

Pursuant to 15 MLBSA § 1203(f)(ii): The Department of Cannabis Regulation reviewed the comments received during the comment period, beginning August 28, 2025, and closing September 29, 2025. The Department of Cannabis Regulation hereby responds to comments below and makes changes as applicable

Comment 1: CR 3. Changes to clarify and ensure consistent use of calendar days vs. business days, capitalization, internal reference, spacing and tab size were made.

Comment 2: Section 2.4.2- Suitability Determination Procedures. We currently have 60 days for employees to fix deficiencies. From a business perspective, that is a long time to wait for a prospective employee to get their license fixed. Accept Change.

- Intent of the Department for using 60 days was to be lenient on the employee applicant, but we understand the burden it adds to the Businesses.
- <u>Change:</u> "If an application is incomplete, the Executive Director shall provide the applicant with notice and a reasonable opportunity to remedy any deficiencies. If the applicant fails to remedy all identified deficiencies within 15 calendar days of receipt of notice of such deficiencies by the Executive Director, the Executive Director shall deny the application."

Comment 3: Section 2.4.3- Suitability Determination Procedures. How will employers be notified when an employee is eligible to work? No Change Needed.

• Procedural; It is the intent of the Department to implement a licensing system that will automatically notify designated employer representatives of employee licensing actions.



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Comment 4: Section 2.4.3- Suitability Determination Procedures. Will we receive a license number to issue a badge? No Change Needed.

• Procedural; It is the intent of the Department to implement a licensing system that will automatically notify designated employer representatives of employee license numbers.

Comment 5: Section 2.4.3- Suitability Determination Procedures. What happens if the employee is later denied—how will the business be informed? No Change Needed.

• Procedural; It is the intent of the Department to implement a licensing system that will automatically notify designated employer representatives of employee licensing actions.

Comment 6: Section 2.4.6- Suitability Determination Procedures. Should the effective date align with the Executive Director's approval? It may appear inconsistent if employment begins before the effective date. Agreed, Change Applied.

• Change: "If the Board determines that an applicant is suitable for an employee license, it shall inform the applicant by letter, with a copy of its approved employee license enclosed. The employee license shall be effective either on the date the Executive Director releases the applicant for work duties or on the date of approval by the Board, whichever is earliest."

Comment 7: Section 2.4.6- Suitability Determination Procedures. Will we receive notifications of approved licenses? No Change Needed.

• Procedural; Yes.

Comment 8: Section 2.4.6- Suitability Determination Procedures. Will a database be maintained? No Change Needed.

• Procedural; It is the intent of the Department to implement a licensing system that will allow the designated employer representative(s) to access employee license information.

Comment 9: Section 2.4.6- Suitability Determination Procedures. Should we rely on Temporary Approval, License Approval, or both? No Change Needed

• Procedural; A temporary approval by the Executive Director is sufficient for the employee license applicant to begin work and comply.

Comment 10: Section 2.4.6- Suitability Determination Procedures. Does eligibility to work apply across all Band-licensed facilities? No Change Needed.

• Procedural; It is the intent of the Department to implement a licensing system that will allow employee licensees to be associated with one or more DCR-licensed cannabis businesses.

Comment 11: 2.7.1- Display of Employee Licenses. Can this be changed to "available upon request"? Agreed, Change Applied.



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• Change: "As provided by the business, employees must wear their identification badges in plain view and above the waist at all times in a licensee's facilities. Employees must also have valid government-issued photo ID or Tribal ID available upon request."

Comment 12: Section 2.8.3- Employee License Renewals. "Facilitate the delivery of any updated identification badge," is unclear. Will the Department share this information with us? Agreed, Change Applied.

• Change: "If the Department determines that the employee remains suitable for licensure based on the information provided on the application for renewal, the Department shall notify the employee that the employee license is renewed and identify the updated expiration date of the employee license."

Comment 13: Section 3.3.1- Background Check Standards. We recommend adding Criminal Sexual Conduct to this list to help protect employees, vendors, and guests. Disagree.

• Intent of the Department is to be in line with Minnesota Statute minimum standards. There are several other significant criminal charges not included that could be threats to public safety. The Department will give deference to the cannabis business licensee to implement minimum criminal history standards exceeding the Department's standards.

Effective Date: October 14, 2025.

The Department of Cannabis Regulation attached the final version illustrating the updates made as a result of reviewing the comments submitted. Copies of this regulation can be obtained at the Department of Cannabis Regulation and at <u>Department of Cannabis Regulation (DCR) | Mille Lacs Band of Ojibwe.</u>

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Department of Cannabis Regulation Board	Date