

Act 03-24

An Act enacting a Cannabis Code as a new chapter within Title 15 – Independent Agencies. This bill will create a Department of Cannabis Regulation, an independent entity, which will be administered by a five-person board. The Department will oversee issuance of cannabis licenses for cultivation, manufacturing, wholesale, retail, and testing within the Band’s sovereign territory. The board will hear license appeals and also approve contracts and create regulations consistent with the Code. The Department will have an executive director and staff to carry out the necessary duties to effectuate the purpose of this Code. The Code also allows personal use of cannabis, such as home cultivation of up to eight cannabis plants. This bill also amends Title 23 to update outdated citations to Minnesota law and update possession of cannabis within a vehicle to mirror Minnesota law.

In the creation and drafting of this bill, the legislative branch held several workshops and two public comment periods. The first public comment period, the draft bill was posted for 22 days, and the bill was discussed in every community. The legislative branch received over 50 comments with a majority of comments being positive. The second public comment period, the draft bill was posted for 13 days. The legislative branch received two comments. This bill is intended to encourage not only business opportunities for Mille Lacs Corporate Ventures but also Band members, to encourage responsible use of cannabis within the communities, to support drug abuse prevention efforts through education, prevention, and treatment for the community, to provide smoke-free and clean air spaces for the community, and to continue providing a drug-free workplace for government-owned and government-operated buildings.

The District II Representative introduced the following Bill on the 9th day of January, 2024.

BE IT ENACTED BY THE BAND ASSEMBLY OF THE NON-REMOVABLE MILLE LACS BAND OF OJIBWE:

Section 1. Enacting a Cannabis Code.

Section

1. **Purpose.**
2. **Definitions.**
3. **Department of Cannabis Regulation.**
4. **Department of Cannabis Regulation Board.**
5. **Executive Director of the Department.**
6. **Seed-to-Sale Electronic Tracking System.**
7. **Approval of Cannabis Flower and Products.**
8. **Agricultural and Food Safety Practices.**
9. **Applicable Environmental Standards.**
10. **License Issuance; Transfers; Adjustments; Appeals.**

11. Inspection and License Violation.
12. Cannabis Business; General Operational Requirements and Prohibitions.
13. Cultivation.
14. Manufacturing.
15. Retail.
16. Wholesale; Transportation; Delivery.
17. Testing.
18. Packaging and Labeling.
19. Advertising.
20. Limitation on Consumption; Locations of Consumption.
21. Ownership and Use of Mille Lacs Corporate Ventures' Revenues.
22. Personal Adult Use of Cannabis.
23. Violations.
24. Provisional License for Mille Lacs Corporate Ventures.
25. Medical Marijuana.

§ 1. Purpose.

The purposes of this statute are:

- (a) to promote the health, safety, and security of the Mille Lacs Band of Ojibwe and its members, protect public health and safety, and to promote safe and responsible cannabis business activities in the Band's sovereign territory.
- (b) to foster Band economic development in the cannabis industry by:
 - (1) meeting the legitimate market demand for cannabis and cannabis products;
 - (2) promoting a local industry for cannabis and cannabis products;
 - (3) supporting and prioritizing the growth of the Band's communities; and
 - (4) eliminating the illicit market for cannabis and cannabis products.
- (c) to provide regulation of cannabis business activities by creating a Tribal regulatory agency that will regulate, license, monitor and tax the cultivation, manufacturing, testing, distribution, and sale of cannabis and cannabis products in the Band's sovereign territory, and enforce all applicable regulations.
- (d) to promote and protect Band sovereignty.
- (e) to ensure continued compliance with Band-awarded federal and state grants.

§ 2. Definitions.

The following terms are defined for the purposes of this chapter:

- (a) “Administrative order” means a directive issued by the Department of Cannabis Regulation.
- (b) “Adult-use cannabinoid product” means a cannabinoid product that is approved for sale by the Department or is substantially similar to a product approved by the Department. Adult-use cannabinoid product includes edible cannabinoid products but does not include medical cannabinoid products.
- (c) “Adult-use cannabinoid concentrate” means cannabis concentrate that is approved for sale by the Department or is substantially similar to a product approved by the Department. Adult-use cannabis concentrate does not include artificially derived cannabinoids.
- (d) “Adult-use cannabis flower” means a cannabis flower that is approved for sale by the Department or is substantially similar to a product approved by the Department. Adult-use cannabis flower does not include medical cannabis flower, hemp plant parts, or hemp-derived consumer products.
- (e) “Advertisement” means any written or oral statement, illustration, or depiction that is intended to promote sales of cannabis flower, cannabinoid products, lower potency edible products, hemp-derived consumer products, or sales at a specific cannabis business and includes any newspaper, radio, internet and electronic media, or television promotion; the distribution of fliers and circulars; and the display of window and interior signs in a cannabis business.
- (f) “Artificially derived cannabinoid” means a cannabinoid extracted from a cannabis plant, cannabis flower, hemp plant, or hemp plant parts with a chemical makeup that is changed after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light. Artificially derived cannabinoid includes but is not limited to any tetrahydrocannabinol created from cannabidiol but does not include cannabis concentrate, cannabinoid products, or hemp-derived consumer products.
- (g) “Band Assembly” means the Band’s Legislative Branch, established pursuant to 3 MLBS § 2, and comprised of the duly elected Speaker of the Assembly and three (3) District Representatives.
- (h) “Batch” means

- (1) a specific quantity of cannabis plants that are cultivated from the same seed or plant stock, are cultivated together, are intended to be harvested together, and receive an identical propagation and cultivation treatment;
 - (2) a specific quantity of cannabis flower that is harvested together; is uniform and intended to meet specifications for identity, strength, purity, and composition; and receives identical sorting, drying, curing, and storage treatment; or
 - (3) a specific quantity of a specific cannabinoid product, edible cannabinoid product, artificially derived cannabinoid, or hemp-derived consumer product that is manufactured at the same time and using the same methods, equipment, and ingredients that is uniform and intended to meet specifications for identity, strength, purity, and composition, and that is manufactured, packaged, and labeled according to a single batch production record executed and documented during the same cycle of manufacture and produced by a continuous process.
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- (i) “**Batch number**” means a unique numeric or alphanumeric identifier assigned to a batch of cannabis flower or a batch of cannabinoid product, edible cannabinoid product, artificially derived cannabinoid, or hemp-derived consumer product.
 - (j) “**Board**” means the Department of Cannabis Regulation Board pursuant to this chapter.
 - (k) “**Cannabinoid**” means any of the chemical constituents of hemp plants or cannabis plants that are naturally occurring, biologically active, and act on the cannabinoid receptors of the brain. Cannabinoid includes but is not limited to tetrahydrocannabinol and cannabidiol.
 - (l) “**Cannabinoid extraction**” means the process of extracting cannabis concentrate from cannabis plants or cannabis flower using water, lipids, gases, solvents, or other chemicals or chemical processes, but does not include the process of extracting concentrate from hemp plants or hemp plant parts or the process of creating artificially derived cannabinoids.
 - (m) “**Cannabinoid product**” means cannabis product, a hemp-derived consumer product, or lower-potency hemp edible.

- (n) **“Cannabinoid profile”** means the amounts of each cannabinoid that the Department requires to be identified in testing and labeling, including but not limited to delta-9 tetrahydrocannabinol, tetrahydrocannabinolic acid, cannabidiol, and cannabidiolic acid in cannabis flower, a cannabinoid product, a batch of artificially derived cannabinoid, or a hemp-derived consumer product, expressed as percentages measured by weight and, in the case of cannabinoid products and hemp-derived consumer products, expressed as milligrams in each serving and package.
- (o) **“Cannabis business”** means
- (1) cannabis cultivator;
 - (2) cannabis manufacturer;
 - (3) cannabis retailer;
 - (4) cannabis wholesaler; or
 - (5) cannabis testing facility.
- (p) **“Cannabis concentrate”**
- (1) means:
 - (i) the extracts and resins of a cannabis plant or cannabis flower;
 - (ii) the extracts or resins of a cannabis plant or cannabis flower that are refined to increase the presence of targeted cannabinoids; or
 - (iii) a product that is produced by refining extracts or resins of a cannabis plant or cannabis flower and is intended to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product; and
 - (2) does not mean:
 - (i) industrial hemp, artificially derived cannabinoids, or hemp-derived consumer products.

- (q) “Cannabis flower” means the harvested flower, bud, leaves, and stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower and medical cannabis flower. Cannabis flower does not include cannabis seed, industrial hemp, or hemp-derived consumer products.
- (r) “Cannabis license” means a license, as listed in § 10(a)(2), issued by the Department of Cannabis Regulation.
- (s) “Cannabis plant” means all parts of the plant of the genus Cannabis that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis.
- (t) “Cannabis product”
 - (1) means any of the following:
 - (i) cannabis concentrate;
 - (ii) a product infused with cannabinoids, including but not limited to tetrahydrocannabinol, extracted or derived from cannabis plants or cannabis flower; or
 - (iii) any other product that contains cannabis concentrate; or
 - (iv) a product infused with artificially derived cannabinoids; and
 - (2) includes adult-use cannabis products, including but not limited to edible cannabis products and medical cannabinoid products; and
 - (3) does not include cannabis flower, artificially derived cannabinoid, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products.
- (u) “Cannabis seed” means the viable seed of the plant of the genus Cannabis that is reasonably expected to grow into a cannabis plant. Cannabis seed does not include hemp seed.
- (v) “Cannabis worker” means any individual employed by a cannabis business and any individual who is a contractor of a cannabis business whose scope of work involves

the handling of cannabis plants, cannabis flower, artificially derived cannabinoids, or cannabinoid products.

- (w) **“Cultivation”** means any activity involving the planting, growing, harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp plants, or hemp plant parts.
- (x) **“Edible cannabinoid product”** means any product that is intended to be eaten or consumed as a beverage by humans; contains a cannabinoid, including an artificially derived cannabinoid, in combination with food ingredients; is not a drug; and is a type of product approved for sale by the Department, or is substantially similar to a product approved by the Department including but not limited to products that resemble nonalcoholic beverages, candy, and baked goods. Edible cannabinoid product includes lower potency edible products.
- (y) **“Hemp-derived consumer products”**
 - (1) means a product intended for human or animal consumption, does not contain cannabis flower or cannabis concentrate, and:
 - (i) contains or consists of hemp plant parts; or
 - (ii) contains hemp concentrate or artificially derived cannabinoids in combination with other ingredients.
 - (2) does not include artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived topical products, hemp fiber products, or hemp grain.
- (z) **“Hemp plant”** means all parts of the plant of the genus Cannabis that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol concentration of no more than percent on a dry weight basis.
- (aa) **“Hemp plant parts”** means any part of the harvested hemp plant, including the flower, bud, leaves, stems, and stalk, but does not include derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers that are separated from the plant. Hemp plant parts does not include hemp fiber products, hemp grain, or hemp seed.

- (bb) **“Hemp seed”** means the viable seed of the plant of the genus Cannabis that is intended to be planted and is reasonably expected to grow into a hemp plant. Hemp seed does not include cannabis seed or hemp grain.
- (cc) **“Industrial hemp”** means the plant Cannabis sativa L. and any part of the plant, whether growing or not, including the plant's seeds, and all the plant's derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.
- (dd) **“Intoxicating cannabinoid”** means a cannabinoid, including an artificially derived cannabinoid, that when introduced into the human body impairs the central nervous system or impairs the human audio, visual, or mental processes. Intoxicating cannabinoid includes but is not limited to any tetrahydrocannabinol.
- (ee) **“License”** means permission to operate a specific cannabis business or to be employed as a cannabis worker, issued by the Department of Cannabis Regulation pursuant to this Code and the Department’s regulations.
- (ff) **“Mille Lacs Band of Ojibwe Department of Cannabis Regulation” or “Department”** means the Department created by this Code.
- (gg) **“Nonintoxicating cannabinoid”** means a cannabinoid that when introduced into the human body does not impair the central nervous system and does not impair the human audio, visual, or mental processes. Nonintoxicating cannabinoid includes but is not limited to cannabidiol but does not include any artificially derived cannabinoid.
- (hh) **“Outdoor advertisement”** means an advertisement that is located outdoors or can be seen or heard by an individual who is outdoors and includes billboard; advertisements on benches; advertisements at transit stations or transit shelters; advertisements on the exterior or interior of buses, taxis, light rail transit, or business vehicles; and print signs that are placed or located on the exterior property of a cannabis business.
- (ii) **“Seed-to-sale electronic tracking system”** means the system for integrated cannabis tracking, inventory, and verification established or adopted by the Department.

- (jj) “Sovereign territory” means the Band’s Indian country as defined in 18 U.S.C. § 1151. It includes “Tribally regulated land” as defined in Minn. Stat. § 3.9228 subd.1(i).
- (kk) “Tetrahydrocannabinol” or “THC” means delta-9-tetrahydrocannabinol, the main psychoactive ingredient in cannabis.
- (ll) “Volatile solvent” means any solvent that is or produces a flammable gas or vapor that, when present in the air in sufficient quantities, will create explosive or ignitable mixtures. Volatile solvent includes but is not limited to butane, hexane, and propane.

§ 3. Department of Cannabis Regulation.

- (a) **General.** The Department of Cannabis Regulation shall be an independent entity, Tribal regulatory agency under the administrative control of its Board.
- (b) **Powers and duties.** The Department shall be responsible for:
 - (1) exercising regulatory authority over cannabis businesses within the Band’s sovereign territory to ensure compliance with applicable law, including this Code and any future policies and regulations adopted by the Department;
 - (2) developing, maintaining and enforcing an organized system of cannabis regulation within the Band’s sovereign territory, including
 - (i) promulgating regulations to implement this Code;
 - (ii) issuing and administering licenses to cannabis businesses;
 - (iii) monitoring cannabis business licensees’ employees, employee names, addresses, dates of birth, and photo-copies of driver’s license or other government-issued identification demonstrating each individual is over 21 years of age shall be shared with the Department and recorded;
 - (iv) monitoring, inspecting, and investigating cannabis businesses for compliance with all applicable laws and license terms; and

- (v) issuing administrative orders for noncompliance and violations and overseeing corrective and remedial action; and
- (3) performing functions necessary to carry out this Code.
- (c) **Operational authority.** The Department shall not exercise operational authority over any cannabis business. Management and operational authority of any Band-owned cannabis business shall be vested in Mille Lacs Corporate Ventures or a separately chartered corporation under 16 MLBS § 106(d).
- (e) **Regulations.** The Department shall have the power and duty to develop, adopt and promulgate regulations implementing this Code, which shall:
 - (i) establish a cannabis regulatory system to protect, maintain, and improve the health and safety of the community, including cannabis workers;
 - (ii) establish rules for preventing unauthorized access to cannabis and cannabis products by individuals under 21 years of age;
 - (iii) establish standards for product testing, packaging and labeling, including testing protocols, information and marks to be included on labels and any other information or notices required of licensees;
 - (iv) establish an online process for submitting cannabis business license applications;
 - (v) establish a process for accepting and adjudicating cannabis licenses, including criminal background check requirements if deemed necessary by the Department and whether any criminal offense disqualifies a person or entity from holding a license, and an administrative reconsideration or appeal process;
 - (vi) establish categories of monitoring and reporting data required to be collected from Band license holders and submitted via a seed-to-sale tracking system or other method;
 - (vii) establish a process for inspecting and approving types of cannabis flower and cannabinoid products eligible for retail sale within the Band's sovereign territory;
 - (viii) establish agricultural and food safety practices as required by this Code;

- (ix) establish requirements for odor control by licensees as required by this Code;
- (x) establish acceptable disposal methods for cannabis that cannot be sold under § 12(g) of this Code;
- (xi) establish a process for approving the use of certain pesticides fertilizers, soil amendments, plant amendments, and other inputs and methods to cultivate cannabis;
- (xii) establish standards and a review process for outdoor advertisements, non-cannabis merchandise sales, and other marketing activities;
- (xiii) establish allowable methods of extraction, concentration, and conversion, and volatile chemicals and catalysts, that cannabis manufacturers may use;
- (xiv) establish standards for chemicals or compounds that cannabis manufactures may add to cannabis concentrate or artificially derived cannabinoids; and
- (xv) establish procedures for ensuring license holders' compliance with Band law and regulations, license terms, any compacts with the State of Minnesota and other applicable laws and policies; and
- (xvi) any other matter within the scope of this Code.

(f) **Rulemaking process.**

- (1) The Department shall promulgate the regulations authorized by § 3(e) with or without a hearing according to the notice and comment process specified herein.
 - (i) **Notice of intent to adopt.** The Department shall give notice of its intent to adopt a regulation by posting a copy of the notice in the Band Government Center and on the Band's website, and by electronically delivering a copy of the notice to the Chief Executive, the Speaker of the Band Assembly, the District Representatives, the Solicitor General, the Commissioner of Administration, the Commissioner of Corporate Affairs, and the manager of any cannabis business licensed by the Band. The notice shall include a copy of the proposed regulation and a description of the nature and effect of the proposed regulation. In addition, the notice shall include the following statements:

- (A) comments may be submitted on the proposed regulation no later than 30 calendar days from the date of the notice; and
 - (B) the proposed regulation may be modified if supported by the data and views submitted.
- (ii) **Review.** The Department shall review all comments received during the comment period, shall make such changes to the proposed regulation as it deems reasonable and appropriate, and shall approve the regulation by resolution of the Board. Proposed regulations shall be posted on the Band's website during the comment period.
- (iii) **Adoption; notice of adoption.**
 - (A) The Department shall, by official action, set the effective date of the regulation and publish and post copies of a notice of adoption of the regulation in the same manner as for the notice of intent to adopt the regulation.
 - (B) The notice of adoption shall summarize the final regulation and the changes to the proposed regulation, state the effective date, and announce that free copies of the regulation are available from the Department.
 - (C) Copies of the notice and the final regulation shall be electronically delivered to all persons who were sent a copy of the notice of intent to adopt.
 - (D) All final regulations shall be available on the Band's website.
- (2) **Initial cannabis regulations.** The Department shall adopt a set of Initial Cannabis Regulations meeting the requirements of § 3(e) and this Code within 180 calendar days after the first meeting of all the members of the first Board.
- (3) **Annulment.** Any cannabis regulation may be annulled by statute.
- (g) **Monitoring and investigation.** The Department shall have the power and duty to monitor and investigate all cannabis businesses with the Band's sovereign territory or licensed by the Band for compliance with Band law and regulations, license terms, any compacts with the State of Minnesota and other applicable laws and policies.

- (h) Access. The Department shall have access to all books, files, records, reports, and other data regarding the operation of all cannabis businesses, whether in written or electronic form, as it deems necessary or desirable to carry out its regulatory duties.

§ 4. Department of Cannabis Regulation Board.

- (a) Appointment process. Each member shall be appointed using the following process.
- (1) The Chief Executive shall nominate two (2) individuals and submit their names to the Secretary-Treasurer. Within ten (10) calendar days after receipt of the nominations and documents as listed in paragraph (7) by the Secretary-Treasurer, the Secretary-Treasurer shall ratify one (1) out of the two (2) nominees to be a member of the Board. Such member shall serve until September 1, 2024. Any subsequent appointment, other than to fill a vacancy that occurs prior to the end of the term, shall be for four (4) years.
 - (2) Each District Representative shall nominate two (2) individuals and submit their names to the Chief Executive. Within ten (10) calendar days after receipt of the nominations and documents as listed in paragraph (7) by the Chief Executive, the Chief Executive shall ratify one (1) of the two (2) nominees to be a member of the Board. Such members shall serve until September 1, 2026. Any subsequent appointment, other than to fill a vacancy that occurs prior to the end of a term, shall be for four (4) years.
 - (3) The Secretary-Treasurer shall nominate two (2) individuals and submit their names to the Chief Executive. Within ten (10) calendar days after receipt of the nominations and documents as listed in paragraph (7) by the Chief Executive, the Chief Executive shall ratify one (1) of the two (2) nominees to be a member of the Board. Such member shall serve until September 1, 2024. Any subsequent appointment, other than to fill a vacancy that occurs prior to the end of a term, shall be for four (4) years.
 - (4) If the Chief Executive or the Secretary-Treasurer do not ratify one from any of the nominations sent to them within the time prescribed, then the Band Assembly shall select such member by majority vote.
 - (5) If any elected official does not submit a nomination within 30 calendar days after a vacancy has occurred, then the Band Assembly shall nominate two (2) individuals by majority vote and submit their names and documents as listed in paragraph (7) to the Chief Executive for ratification to the Board.

- (6) No member shall take office until swearing to the oath of office pursuant to Title 2.
- (7) The ratifying elected official shall only consider a nominee upon receipt of a complete criminal background investigation, a nomination letter signed by the elected official nominating, a copy of the nominee's resume, and the nominee's contact information.

(b) **Board officers.**

- (1) **Officers.** The Board shall have a chairperson, vice-chairperson, and Secretary.
- (2) **Selection.**
 - (i) **Chairperson, vice-chairperson.** The members of the Board shall select from among themselves, by majority vote, a chairperson and a vice-chairperson. The chairperson and vice-chairperson shall serve for a period of no longer than two (2) years, unless re-appointed by the Board.
 - (ii) **Secretary.** The Board may select a member or an employee of the Department to act as secretary of the Board. The secretary shall serve for a period of no longer than two (2) years, unless re-appointed by the Board. An employee acting as secretary at the request of the Board is not a Board member and has no powers of a member.
- (3) **Removal of members.** Members may be removed for any reason by a super-majority vote of four (4) out of five (5) members of the Joint Session of the Band Assembly. The determination of the Joint Session is final and un-appealable. A vacancy caused by removal or for any other reason shall be filled in a timely manner pursuant to § 4(a) of this Code.

(c) **Vacancies.**

- (1) The chairperson of the Board shall notify the Band Assembly and the Chief Executive of any vacancy on the Board at least 30 calendar days prior to the end of a term, or, in circumstances other than the end of a term, immediately upon the knowledge that a vacancy will occur.
- (2) If there is a vacancy on the Board, then the vacancy shall be filled pursuant to § 4(a) of this Code.

- (3) Any member, including the chairperson, appointed to fill a vacancy shall serve for the remainder of the term left vacant; however, any member may be re-appointed during this time period pursuant § 4(a) of this Code.

(d) **Qualifications of members.** Board members must be chosen on the basis of relevant training, experience, and such other qualifications considered appropriate.

(4)(1) At minimum, all members must be:

- (i) 21 years of age or older;

(5)(2) members must not:

- (i) be a Band elected official or commissioner;
- (ii) be employed by, or holding any office in, having any ownership or financial stake in, or having any business relation with, any cannabis business within the State of Minnesota;
- (iii) be closely related to any owner or manager of a cannabis business licensed by the Department or seeking licensure from the Department;
- (iv) be employed by the Mille Lacs Corporate Ventures;
- (v) have been convicted of a felony, non-driving related gross misdemeanor, or driving related gross misdemeanor that includes death, careless driving, or bodily harm, within seven (7) years of the date of the final disposition;
- (vi) have been convicted of a felony or gross misdemeanor involving the following offenses:
- (A) criminal sexual conduct convictions, 1st – 5th degree, including but not limited to rape, attempted rape, and criminal sexual conduct with a juvenile;
- (B) fraud;
- (C) embezzlement;
- (D) theft; or
- (E) misrepresentation; or

- (vii) have a felony, non-driving related gross misdemeanor, or driving related gross misdemeanor that includes death, careless driving, or bodily harm charge pending. Active stays of adjudication for felonies and gross misdemeanors constitute pending charges.

~~(6)~~(3) **Criminal background investigation.** Any nomination for the Board shall be subject to a criminal background investigation to be conducted by the Office of the Solicitor General. All criminal background investigations shall be performed upon the request of the elected official nominating. The Office of the Solicitor General shall provide the Chief Executive, Secretary-Treasurer, and District Representatives with the results of the criminal background investigation within 14 calendar days. The nomination shall be considered fully received when the elected officials receive the complete and unabridged results of the criminal background investigation from the Solicitor General.

~~(7)~~(4) **Current Board members.**

- (i) A Board member shall be terminated from the Board if charged with a felony, non-driving related gross misdemeanor, or driving related gross misdemeanor that includes death, careless driving, or bodily harm, regardless of the outcome of the criminal proceedings.
- (ii) All Board members shall be subject to an annual criminal background investigation. All criminal background investigations shall be performed upon the request of the Executive Director to the Office of the Solicitor General. The Office of the Solicitor General shall provide the Executive Director with the complete and unabridged results of the criminal background investigation, which shall include any pending charges, within 14 calendar days.

~~(8)~~(5) **Duty to report.** Board members shall have a duty to report, in writing, to the Executive Director any pending charge of a felony or gross misdemeanor within five (5) calendar days of becoming aware of the charge. Failure to report the charge constitutes grounds for termination from the Board.

~~(9)~~(6) **Conflict of interest.** If a Board member has a potential conflict of interest, the Board member shall announce during the meeting the nature of the potential conflict prior to voting on the issue giving rise to the potential conflict. A Board member shall abstain from a vote when he or she is in a position to influence a decision that may result in a personal

gain for herself or himself or her or his immediate family. A conflict of interest shall be recorded in the meeting minutes.

(d)(e) Duties of the board. The Board shall have the following duties:

- (1) to oversee the Department's cannabis licensing activities and hear appeals of Department licensing and enforcement/compliance actions;
- (2) examining effectiveness of the Band's cannabis laws and regulations and making recommendations to the Department regarding regulatory changes and to Band Assembly regarding statutory changes;
- (3) reviewing developments in the cannabis industry, hemp consumer industry, and medical cannabis industry;
- (4) reviewing developments in the study of cannabis flower, cannabis products, cannabinoid products, artificially derived cannabinoids, edibles cannabinoid products, and hemp-derived consumer products;
- (5) to approve the Department's regulations, policies, and budget;
- (6) to enter into contracts to provide necessary services and supplies to the Department;
- (7) to follow compacts or other agreements entered into with the state or federal government in furtherance of this Code; and
- (8) to adopt bylaws governing the conduct of the Board, Board meetings and the exercise of Board duties.

(e)(f) Compensation. Members, including the chairperson, shall be compensated with four hundred dollars (\$400.00) per meeting, not to exceed eight hundred dollars (\$800.00) in one month, except that in the case of a demonstrated emergency, the chairperson may petition the Secretary-Treasurer for compensation for additional meetings. Mileage and other travel expenses will be compensated on the same terms and conditions as apply to Senior Executive Staff appointees as provided by Band law.

(f)(g) Meetings.

- (1) **Regular meetings.** Regular meetings of the Board shall be held at least monthly and upon written notice. The dates and forms of regular meetings shall be set by official action of the Board.

- (2) **Special meetings.** Special meetings of the Board may be called by the chairperson with a minimum of forty-eight (48) hours written notice to the Board members, by the executive director with a minimum of forty-eight (48) hours written notice to the chairperson, or by a majority vote of the Board with forty-eight (48) hours written notice to the chairperson.
- (3) **Other.** Either regular or special meetings may be called by petition of a majority of a quorum of the Board members other than the chairperson upon forty-eight (48) hours written notice to the chairperson.
- (4) **Alternative meeting arrangements.** Regular or special meetings may be conducted by telephone, video or web conference, or similar means. The chairperson must provide the Board members with forty-eight (48) hours written notice prior to convening any meeting under this subsection.
- (5) **Consent presumed.** A member's participation in a meeting described herein without explicit objection will constitute consent to the manner in which such a meeting is conducted.

~~(g)~~(h) **Quorum.** Three (3) Board members shall constitute a quorum.

~~(h)~~(i) **Voting.** All actions of the Board shall be taken by majority vote.

(1) The chairperson shall vote only in the following circumstances:

- (i) to break a tie; or
- (ii) if necessary, to constitute a quorum in the absence of other members.

~~(i)~~(j) **Training.** Training for Board members is highly encouraged. If members are not Band government employees and are required to be absent from their employment to attend mandatory training as determined by the Board, then members shall be compensated at their previously documented hourly rates of pay for each hour that they are in attendance at such training plus mileage and other travel expenses as stated in subsection (f) above. If members are Band government employees, then absence from employment will not be deducted from their accrued annual leave and they will be paid as if they were at work plus expenses as stated in subsection (f) above.

§ 5. Executive Director of the Department.

~~(a)~~ **Executive director.**

(1) The Board shall hire an executive director who has:

- (i) relevant experience and training in management and regulatory enforcement of sufficient scope, depth, and relevancy to enable her or him to direct the work of the Department;
 - (ii) high moral character; and
 - (iii) the minimum qualifications for Board members as listed in § 4(d)(1), (2).
- (2) The Band's Mille Lacs Band of Ojibwe Personnel Policy and Procedures shall apply to the executive director.

(a)(b) Duties of the executive director. The executive director shall have the following duties:

- (3) to administer day-to-day functions of the Department;
- (4) to obtain office space and supplies, and hire administrative staff, compliance staff, and legal counsel, independent of the Solicitor General, necessary to carry out the Department's official functions, policies, activities, and objectives;
- (5) to prepare and submit to the Band Assembly a proposed budget for the Department, which must be approved by the Board;
- (6) to request the Office of the Solicitor General perform annual background investigations of the Board members;
- (7) to develop regulations, subject to approval and promulgation by the Board, exercising the Department's powers and duties under this Code;
- (8) to review environmental protection enforcement actions and nuisance complaints;
- (9) to recommend changes to the Board regarding Department policies and regulations;
- (10) to attend all meetings of the Board as a non-voting member;
- (11) to provide administrative support to the Board;
- (12) at the direction of the Board, the executive director may enter into interagency agreements with the Band's Department of Education, Department of Health and Human Services, or any other agency of the Mille

Lacs Band to obtain material and personnel support necessary to carry out the Board's mandates, policies, activities and objectives;

- (13) to perform other duties assigned by the Board;
- (14) to give an annual report to the Band Assembly by September 30, 2025, and each year by September 30 thereafter, which shall include:
 - (i) how many cannabis business licenses have been approved, revoked, suspended, or denied and how many appeals have been filed with Board;
 - (ii) a coordinated education program to address and raise public awareness about the top three adverse health effects, as determined by the Band's Commissioner of Health and Human Services, associated with the use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products by individuals under 21 years of age;
 - (iii) a coordinated education program to educate pregnant individuals, breastfeeding individuals, and individuals who may become pregnant on the adverse health effects of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;
 - (iv) training, technical assistance, and educational materials for home visiting programs and child welfare workers regarding safe and unsafe use of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products in homes with infants and young children;
 - (v) a coordinated education program to educate middle school and high school students on the health effects on children and adolescents of the use of cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and other intoxicating or controlled substances;
 - (vi) any environmental protection violations or nuisance allegations made against licensed cannabis businesses during the preceding year and whether current Band environmental standards for water and air quality and solid waste disposal are adequate to protect human and environmental health;
 - (vii) proposed legislative changes, including but not limited to recommendations to streamline licensing systems and related administrative processes, as recommended by the Board; and

- (viii) any other pertinent information as determined by the Board or requested by the Band Assembly.
- (b)(c) **Removal; suspension.** The executive director may be removed for good cause by a super-majority vote of four (4) out of five (5) of the Board members. In addition, if the executive director is charged with a felony in any jurisdiction, the Board shall immediately suspend the executive director with or without pay until the charges have been resolved.
- (d) **Vacancy.** If there is an executive director vacancy for any reason, then the Board shall immediately appoint an interim director.

§ 6. Seed-to-Sale Electronic Tracking System.

- (a) Each cannabis business or worker who has been issued a Band license shall utilize the Band's online seed-to-sale electronic tracking system utilized for plant tags, product identification, and chain of custody in order to track cannabis and cannabis products through cultivation, manufacturing, distribution and sale.
- (b) The Department shall contract with an outside vendor to establish an online seed-to-sale electronic tracking system for integrated cannabis tracking, inventory management, and verification from seed to disposal or sale to eligible customers.
- (c) The online seed-to-sale electronic tracking system must allow licensed cannabis businesses to submit monitoring data to the department for reporting purposes as required by regulation.

§ 7. Approval of Cannabis Flower and Products.

- (a) **General.** The Department shall inspect and approve types of cannabis flower and cannabinoid products eligible for retail sale.
- (b) **Tetrahydrocannabinol limits.** Unless specified within a compact with the State of Minnesota, the Department shall determine reasonable limits on the amount of tetrahydrocannabinol that products contain.
- (c) **Products out of compliance.** The Department shall deem any cannabinoid products out of compliance, and thus prohibited from retail sale, that:

- (1) appear to be a lollipop or ice cream;
 - (2) appear to be the likeness, or contains characteristics of, a real or fictional person, animal, or fruit;
 - (3) contains a synthetic cannabinoid;
 - (4) if the product is an edible product, contains an ingredient other than a cannabinoid that is not approved by the United States Food and Drug Administration for use of food; or
 - (5) is designed to appeal to individuals under 21 years of age.
- (d) **Products in compliance.** The following product formats may be made available for retail sale:
- (1) raw cannabis flower;
 - (2) cannabis pre-rolls;
 - (3) cannabis concentrates, including products intended for combustion or vaporization;
 - (4) cannabis topicals;
 - (5) cannabis tinctures and/or oral products;
 - (6) cannabis edibles; and
 - (7) any another format as approved by the Department by regulation.

§ 8. Agricultural and Food Safety Practices.

- (a) **Plant propagation standards.** The Department shall establish testing and labeling requirements for the methods used to grow new cannabis plants, including but not limited to growth from seed, clone, cutting, or tissue culture. The requirements must prohibit the cultivation of cannabis plants derived from genetic engineering.
- (b) **Agricultural best practices.**

- (1) The department shall establish best practices for:
 - (i) the cultivation and preparation of cannabis plants; and
 - (ii) the use of pesticides, fertilizers, soil amendments, and plant amendments in relation to growing cannabis plants.
- (c) **Edible cannabinoid product handling.**
 - (1) The department shall establish:
 - (i) best practices for safe food handling procedures to ensure the health and safety of the public; and
 - (ii) finished product packaging and storage standards to guarantee the integrity of the product.
 - (2) An edible cannabinoid product must not be considered adulterated solely because the product contains tetrahydrocannabinol, cannabis concentrate, or any other materials extracted or derived from a cannabis plant or flower.
 - (3) All edible cannabinoid product handling and manufacturing must be conducted in a safe, sanitary environment that is separate from a premises where food is manufactured.
 - (4) Licensed manufacturers must establish and maintain standard operating procedures that demonstrate policies and employee training on clean room standards in locations where cannabinoid products are being produced.

§ 9. Applicable Environmental Standards.

- (a) **General.** Cannabis businesses within the Band's sovereign territory shall be subject to the environmental protection standards and permitting requirements established by the Band's Department of Natural Resources, including Title 11 and all applicable Band law, policies, and regulations.
- (b) **Reporting.** Each licensed cannabis business is required to report any and all environmental protection enforcement actions or nuisance complaints made against the business to the Department's executive director.
- (c) **Necessity of new standards.** The Department may, in consultation with the Commissioner of Natural Resources, suggest to Band Assembly whether amendments to Title 11 are necessary to:

- (1) establish appropriate water standards for cannabis businesses that promote and protect the integrity of its sovereign land and surrounding communities.
- (2) establish appropriate energy standards that minimizes a cannabis business' carbon footprint and environmental impact.
- (3) establish appropriate solid waste standards for the disposal of:
 - (i) cannabis flower and cannabinoid products;
 - (ii) packaging;
 - (iii) recyclable materials, including minimum requirements for the use of recyclable materials; and
 - (iv) other solid waste.
- (d) **Pesticide use.** All cannabis cultivators shall only apply pesticides deemed to be "Minimum Risk Pesticides" as defined by the United States Environmental Protection Agency.

§ 10. License Issuance; Transfers; Adjustments; Appeals.

- (a) **Cannabis license availability.**
 - (1) The Department shall issue a separate, non-transferable cannabis license for each cannabis activity authorized under this Code.
 - (i) Each license shall be assigned a unique identification number that shall appear anywhere a "Department-issued license number" is required by this Code or applicable law.
 - (ii) Vertical integration is allowed such that a single applicant may be issued licenses for each different activity listed in § 10(a)(2), except where it would violate other provisions of this Code or applicable law.
 - (2) When the Department approves a cannabis license, a separate cannabis license shall be issued for:
 - (i) cannabis cultivator;
 - (ii) cannabis manufacturer;
 - (iii) cannabis wholesale;

- (iv) cannabis retail (without on-site consumption);
- (v) cannabis retail (with on-site consumption);
- (vi) cannabis testing;
- (vii) cannabis event organizer;
- (viii) lower-potency hemp edible manufacturer; and
- (ix) lower-potency hemp edible retailer.

(b) **Issuance of license.**

- (1) The Department shall only issue cannabis licenses to enrolled Mille Lacs Band members, Mille Lacs Corporate Ventures or any Band-owned subsidiary.
- (2) A cannabis license shall only be issued by the Department to a cannabis business after the following materials have been provided to and reviewed by the Department:
 - (i) the name, address, date of birth, and, if applicable, tribal identification number of the applicant;
 - (ii) the disclosure of the ownership and control under paragraph (4);
 - (iii) the specific cannabis activity proposed for licensure;
 - (iv) the mailing and physical address of the cannabis business premises where cannabis activities are intended to take place;
 - (v) standard operating procedures outlining that the intended methods for operation are compliant with this Code and the Department's regulations;
 - (vi) a list of proposed employees, including their names, addresses, dates of birth, and photo-copy of their driver's license or other government-issued identification demonstrating each individual is over 21 years of age;
 - (vii) criminal background checks if deemed necessary by the Department and conducted in a manner determined by the Department via regulation;

- (viii) a safety and security plan that guarantees the health and safety of the cannabis business, its employees, and the surrounding community compliant with § 12(i) of this Code;
 - (ix) a floor plan identifying the square footage available and descriptions of each functional area of the cannabis business facility and premises; and
 - (x) a copy of the applicant's business plan showing the expected size of the business; anticipated growth; the methods of record keeping; the knowledge and experience of the applicant and any officer, director, manager, and general partner of the business; the environmental plan; and other relevant financial and operational components;
 - (xi) an explanation detailing the funding sources used to finance the business;
 - (xii) certification that the applicant will comply with the requirements of this Code relating to the ownership and operation of a cannabis business;
 - (xiii) a description of the training and education that will be provided to any employee regarding responsible cannabis use;
 - (xiv) any other information the Department deems relevant.
- (3) No license shall be issued that would:
- (i) place the Band in violation of applicable Band law, grant or funding conditions, or inter-governmental compacts;
 - (ii) pose a threat to the public interest or health and welfare of the Band and its communities; or
 - (iii) pose a threat to the effective regulation of cannabis within the Band's sovereign territory.
- (4) An applicant must file and update as necessary a disclosure of ownership and control. Such ownership and control shall be 51% or more owned by an enrolled Mille Lacs Band member or 100% owned by Mille Lacs Corporate Ventures or any Band-owned subsidiary. The Department shall create the disclosure form. Such disclosure shall, at a minimum, include the following:
- (i) the name, address, date of birth, and, if applicable, tribal identification number of the applicant or license holder;

- (ii) the management structure;
 - (iii) copies of any promissory notes, security instruments, or other similar agreements; and
 - (iv) an explanation detailing the funding sources used to finance the business.
- (5) License decisions will be made by the Department within 30 calendar days. Failure of the applicant to submit all required and Department-requested information in a timely manner will result in the application being denied.
- (6) Cannabis licenses must be renewed annually with the Department in order to identify any operational changes that have been made.
- (c) **License fees.** The Department shall require the payment of application fees and renewal fees for cannabis licenses. The renewal fee shall be charged at the time of the second renewal and each subsequent annual renewal thereafter. Application fees and renewal licensing fees are nonrefundable. A fee schedule shall be created and approved by the Board with the Initial Cannabis Regulations. All fees received shall be deposited in the Band's general fund and budgeted for drug abuse prevention efforts through education, prevention, and treatment for the community.
- (d) **Transfers and adjustments.**
 - (1) Cannabis licenses are non-transferrable unless the Department determines grounds for license transfer are permissible. Permissible transfers may include, but are not limited to:
 - (i) change in legal business structure;
 - (ii) change in ownership, as long as ownership remains with an enrolled Mille Lacs Band member, Mille Lacs Corporate Ventures or any Band-owned subsidiary; or
 - (iii) change in location.
 - (A) The Department may permit relocation of a licensed cannabis business through an application that requires:
 - (I) new address;
 - (II) updated floor and site plans for new location; and
 - (III) changes to safety and security plan.

(e) **Compliance checks.**

- (1) The Department shall conduct compliance checks of every cannabis license issued by the Band at least once a year. The checks shall assess compliance with age verification requirements, the applicable operation requirements, and the applicable limits on the types of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products being sold. Such compliance checks shall be performed by an employee of the Department. The employee of the Department may request assistance from a Tribal law enforcement officer, if the employee deems it necessary for her or his safety.
- (2) The Department shall conduct unannounced age verification compliance checks at least once each calendar year. Age verification compliance checks must involve persons at least 17 years of age, but under the age of 21, who, with the prior written consent of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products under the direct supervision of a Tribal law enforcement officer or an employee of the Department.

(f) **License denial, suspension and revocation.**

- (1) The Department shall deny any license application for a cannabis business that does not meet any requirement of Band law, Band regulation, or any compacts with the State of Minnesota. Denials shall be made in writing and mailed or electronically sent to the applicant within 15 calendar days of denial.
- (2) **License violations.**
 - (i) **Cease order.** If the Department finds probable cause to believe that a license holder is distributing any cannabis or cannabis product in violation of Band law, Band regulation, its license terms, or any compacts with the State of Minnesota, the Department must take action requiring the license holder to immediately cease distribution of products, and may tag and withdraw the cannabis or cannabis products from distribution.
 - (ii) **Corrective action.** The Department may issue an administrative order to any license holder that the Department determines has committed a violation of Band law, Band regulation, its license terms, or any compacts with the State of Minnesota. Such orders may require the license holder to correct the violation or to cease and desist from committing the violation, or any other remedy available to the Department, including monetary penalties set by regulation or statute.

The order must clearly state the deficiencies that constitute the violation and the time by which the violation must be corrected.

- (iii) **Suspension.** The Department may issue an administrative order suspending a cannabis license for violation of Band law, Band regulation, its license terms, or any compacts with the State of Minnesota.
- (iv) **Revocation.** The Department may issue an administrative order revoking a cannabis license for violation of Band law, Band regulation, its license terms, or any compacts with the State of Minnesota. The Department must provide the license holder with written notice of intent to revoke the cannabis license and an opportunity for the license holder to respond.
- (v) **Reconsideration.** A license holder may submit within 15 calendar days, in writing, a request for reconsideration of an administrative order if the license holder believes the administrative order is in error. The Department shall respond to the request within 15 calendar days from when the request was received.
- (vi) The Department is not required to proceed first to corrective action or suspension before issuing notice of intent to revoke a license.
- (g) **Appeals.** All licensees whose license has been revoked or suspended and persons who have been denied a license, may appeal to the Board pursuant to processes set forth in the Department's regulations.
 - (1) Appeals shall be filed with the Board within 30 calendar days after the date of receipt of notice of revocation, suspension, or denial of a license. The Board shall hold a hearing within 30 calendar days of receipt of an appeal. The Board may issue a final decision at the conclusion of the hearing or may take the matter under advisement. A final decision in the form of an order shall be made within 15 calendar days of the appeal hearing concluding. All final decisions shall be made in writing and served to all parties within two (2) calendar days of the final decision being made.
 - (2) All Board decisions on license actions are final and unappealable to any court.

§ 11. Inspection and License Violation.

- (a) **Authority to inspect.**

- (1) The Department has the authority to, upon presenting appropriate credentials to the owner, operator, or agent in charge at a licensed cannabis business and for any reason:
 - (i) enter any cannabis business without delay at a reasonable time;
 - (ii) inspect and investigate a cannabis business during regular working hours and at other reasonable times in order to review the business' conditions, equipment, records, and materials; and
 - (iii) question the owner, operator, or agent in charge at the cannabis business.
- (b) An owner, operator, or agent in charge at a cannabis business may not refuse the entry of a Department representative for any reason. Such refusal constitutes grounds for a license violation per § 10(f)(2).

§ 12. Cannabis Business; General Operational Requirements and Prohibitions.

(a) Age verification.

- (1) A cannabis business may not employ an individual under 21 years of age and may not contract with an individual under 21 years of age if the individual's scope of work involves the handling of cannabis plants, cannabis flower, artificially derived cannabinoids, or cannabinoid products.
- (2) A cannabis business may not permit an individual under 21 years of age to enter the business premises.
- (3) A cannabis business may not sell cannabis or cannabis products to an individual under 21 years of age.

(b) Use of cannabis and cannabis products within a licensed cannabis business.

- (1) A cannabis business may not permit an employee of the licensed business to consume cannabis or cannabis products within its licensed premises or during working hours.
- (2) A cannabis business may permit a qualifying consumer to consume products within its licensed premises if the cannabis business holds a retail license that permits on-site consumption.
 - (i) Consumption of cannabis onsite must be conducted in a designated area on the licensed premises, dedicated to consumption and located in a limited-access area of the facility.

(c) **Restricted access.**

- (1) A cannabis business may not permit any individual to enter a restricted access area unless the cannabis business records the individual's name, time of entry, time of exit, authorization to enter the restricted area through use of an electronic or manual entry log, and the individual:
 - (i) is a cannabis worker employed by or contracted with a cannabis business;
 - (ii) is an employee or representative of the Department or another enforcement agency;
 - (iii) is a contractor of the cannabis business, including but not limited to an electrician, a plumber, an engineer, or an alarm technician, whose scope of work will not involve the handling of cannabis flower or cannabinoid products and, if the individual is working in an area with immediate access to cannabis flower and cannabinoid products, the individual is supervised at all times by a cannabis worker employed by the cannabis business; or
 - (iv) has explicit authorization from the Department to enter a restricted access area and, if the individual is in an area with immediate access to cannabis flower or cannabinoid products, the individual is supervised at all times by a cannabis worker employed by the cannabis business.
- (2) A cannabis business shall ensure that all areas of entry to restricted areas within its licensed premises are conspicuously marked and cannot be entered without recording or logging the information outlined in § 12(c)(1) of this Code.
- (3) All other visitors to a cannabis business shall be accompanied by an escort employed by the cannabis business and shall not permitted entry to restricted-access areas. The cannabis business must log the visitor's name, time of entry, time of exit, reason for visit, and the escorting employee prior to allowing access into the facility.

(d) **Ventilation and filtration.** A cannabis business must maintain a ventilation and filtration system sufficient to meet the requirements for odor control established by the Department.

(e) **Records.**

- (1) A cannabis business must retain financial records for the current and previous calendar year at the primary business location and must make those records

readily available for inspection by the Department at any time during regular business hours.

- (2) All other business records must be maintained by a cannabis business for a period of at least five (5) years and be made readily available for inspection by the Department upon request.

(f) **Use of seed-to sale tracking system.**

- (1) A cannabis business must utilize the seed-to-sale electronic tracking system established by the Department for integrated cannabis tracking, inventory, and verification to monitor all cannabis plants, cannabis flower and cannabinoid products the cannabis business has in its possession to the point of disposal, transfer, or sale.
- (2) A cannabis business shall conduct an initial comprehensive inventory of all cannabis and cannabis products in its possession including seeds or immature plants used for cultivation, manufactured goods, and finished, usable cannabis or cannabis products for retail sale. Such inventory shall include damaged, defective, expired or adulterated cannabis or cannabis products awaiting disposal.
- (3) Sale and transfer of cannabis and cannabis products must be recorded in the seed-to-sale electronic tracking system within the timeframe established in § 15 of this Code.
- (4) Inventory audits shall document the name, quantity, and unique product identifier and shall be reported in the seed-to-sale electronic tracking system. Inventory audits must be maintained, accurate, and up to date in the seed-to-sale electronic tracking system for reporting purposes by the Department.
- (5) Any lost or stolen products must be reported to law enforcement and the Department and must be logged in the electronic tracking system as soon as the loss is discovered.

(g) **Disposal and waste management.**

- (1) A cannabis business must dispose of cannabis plants, cannabis flower, and cannabinoid products that are damaged, have a broken seal, have been contaminated, or have not been sold by the expiration date on the label, if applicable.
- (2) Disposal must be conducted in a manner approved by the Department which may include rendering the cannabis unusable and unrecognizable through methods such as grinding or mixing the cannabis with a greater quantity of non-cannabis material such as paper or soil. Cannabis waste is unusable and

unrecognizable if all components of the waste are indistinguishable and incapable of being ingested, inhaled, injected, swallowed or otherwise consumed.

- (3) Disposed cannabis and cannabis products must be documented in the seed-to-sale electronic tracking system.

(h) **Sale of approved products.**

- (1) A cannabis business may only sell cannabis and cannabis products that have been approved by the Department as outlined in § 7 of this Code.
- (2) A cannabis business may not sell cannabis or cannabis products that do not meet the standards for testing, packaging, and labeling adopted in this Code.

(i) **Security.**

- (1) A cannabis business must maintain and follow a security plan to deter and prevent the theft or diversion of cannabis and cannabis products, unauthorized entry into the cannabis business, and the theft of currency.
- (2) A cannabis business must establish policies and procedures surrounding alarm monitoring and 24-hour video surveillance for the safety and security of the cannabis business, its employees, and the surrounding community.

§ 13. Cultivation.

(a) **Authorized actions.**

- (1) Issuance of a cannabis cultivator license entitles the license holder:
 - (i) to grow cannabis plants within its licensed premises from seed or immature plant to mature plant;
 - (ii) to harvest cannabis flower from a mature plant;
 - (iii) to package and label the cannabis flower for sale to another licensed cannabis business;
 - (iv) to safely and securely transport the cannabis flower to another licensed cannabis business within or outside the Mille Lacs Band's sovereign territory as authorized in a compact with the State of Minnesota or in Minn. Stat. 3.9228(4) regarding transportation and § 16(b) of this Code; and

(v) any other actions approved by the Department.

(b) **Cultivation records.**

- (1) A cannabis cultivator must prepare a cultivation record for each batch of cannabis plants and cannabis flower that is maintained electronically or in hard-copy format. Cultivation records must be maintained for a period of at least five (5) years and be made readily available to the Department upon request.
- (2) In addition to the name, weight, quantity, and unique identifier, cultivation records must include the quantity and timing, where applicable, of each pesticide, fertilizer, soil amendment, or plant amendment used to cultivate the batch.

(c) **Cultivation plan.** A cannabis cultivator must prepare, maintain, and execute an operating plan and a cultivation plan which must include, but is not limited to:

- (1) water usage;
- (2) recycling;
- (3) solid waste disposal; and
- (4) a pest management protocol that incorporates integrated pest management principles to control or prevent the introduction of pests to the cultivation site.

(d) **Agricultural chemicals and pesticides.**

- (1) A cannabis cultivator must request approval from the Department for any pesticides used in the cultivation of cannabis flower.
- (2) A cannabis cultivator may not apply pesticides when pollinators are present or allow pesticides to drift to flowering plants that are attractive to pollinators.
- (3) A cannabis cultivator is subject to the discretion of the Department regarding the use of pesticides, fertilizers, soil amendments, plant amendments, and other inputs to cultivate cannabis.

(e) **Adulteration.** A cannabis cultivator must not treat or otherwise adulterate cannabis plants or cannabis flower with any substance or compound that has the effect or intent of altering the color, appearance, weight, or smell of the cannabis.

§ 14. Manufacturing.

(a) **Authorized actions.** Issuance of a cannabis manufacturer license entitles the license holder:

- (1) to purchase cannabis flower from licensed cannabis cultivators;
- (2) to purchase cannabinoid products from other cannabis manufacturers;
- (3) to make cannabis concentrate;
- (4) to manufacture artificially derived cannabinoids;
- (5) to manufacture cannabinoid products for public consumption;
- (6) to package and label cannabinoid products for sale to other licensed cannabis businesses;
- (7) to sell cannabis concentrate, artificially-derived cannabinoids, and cannabinoid products to other licensed cannabis businesses;
- (8) to safely and securely transport cannabis concentrate, artificially derived cannabinoids, and cannabinoid products to other licensed cannabis businesses within or outside the Mille Lacs Band's sovereign territory as authorized in a compact with the State of Minnesota or in Minn. Stat. 3.9228(4) regarding transportation and § 14(b) of this Code; and
- (9) any other actions approved by the Department.

(b) **Manufacturer operations.**

- (1) Cannabis manufacturing must take place in an enclosed, locked facility that is exclusively used for the manufacturing of cannabinoid products or creation of artificially derived cannabinoids except in the case that the cannabis manufacturing licensee is co-located with a cannabis cultivation licensee.
- (2) A facility may be co-located with another licensed cannabis business in a manner that shares general office space, bathrooms, entryways, and walkways.
- (3) Cannabis manufacturing must take place on equipment that is used exclusively for the manufacturing of cannabinoid products or creation of artificially derived cannabinoids.
- (4) A cannabis manufacturer must comply with all testing, packaging, labeling, and health and safety requirements adopted in this Code or via Department regulations.

(c) **Extraction and concentration.**

- (1) A cannabis manufacturer must inform the Department of all methods of extraction and concentration that the manufacturer intends to use as well as identify the volatile chemicals, if any, that will be involved in the creation of cannabis concentrate. A cannabis manufacturer may not use a method of extraction and concentration or a volatile chemical without approval by the Department.
- (2) A cannabis manufacturer must inform the Department of all methods of conversion that the manufacturer will use, including any specific catalysts that the manufacturer will employ in order to create artificially derived cannabinoids and the molecular nomenclature of all cannabinoids or other chemical compounds that the manufacturer will create. A cannabis manufacturer may not use a method of conversion or a catalyst without approval by the Department.
- (3) A cannabis manufacturer must obtain a written statement by a professional engineer approving:
 - (i) all electrical, gas, fire suppression, and exhaust systems; and
 - (ii) the plan for safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.

(d) **Production of consumer products.**

- (1) All areas within the licensed premises of a cannabis manufacturer producing cannabinoid products must be maintained in a clean and sanitary manner. A cannabis manufacturer must establish standard operating procedures that outline the business' policy for clean room standards.
- (2) A cannabis manufacturer may only add chemicals or compounds to cannabis concentrate or artificially derived cannabinoids upon approval by the Department.
- (3) Upon the sale of any cannabinoid product to a cannabis business, a cannabis manufacturer must provide a statement to the buyer that discloses the product's ingredients, including but not limited to any chemicals or compounds and any major food allergens declared by name.
- (4) Upon the sale of any cannabinoid product to a cannabis business, a cannabis manufacturer must provide a certificate of analysis demonstrating the product has undergone and passed laboratory testing by a licensed testing facility.

- (5) A cannabis manufacturer shall not add any cannabis flower, cannabis concentrate, or artificially derived cannabinoid to a product where the manufacturer of the product holds a trademark to the product's name. A cannabis manufacturer may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the cannabis manufacturer does not state or advertise to the customer that the final retail cannabinoid product contains a trademarked food product.

§ 15. Retail.

- (a) **Authorized actions.** Issuance of a cannabis retail license entitles the license holder:
 - (1) to purchase immature cannabis plants and seedlings and cannabis flower from a licensed cannabis cultivator;
 - (2) to purchase cannabinoid products from cannabis manufacturers;
 - (3) to sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use cannabinoid products, and other products authorized by the Department to eligible customers;
 - (4) to sell and deliver adult-use cannabis flower and cannabinoid products to qualifying customers in accordance with § 16(b) of this Code; and
 - (5) any other actions approved by the Department.
- (b) **Sale of cannabis and cannabinoid products.**
 - (1) A cannabis retailer may only sell immature cannabis plants or seedlings, adult-use cannabis flower, and adult-use cannabinoid products to individuals who are at least 21 years of age.
 - (2) A cannabis retailer may sell immature cannabis plants and seedlings, adult-use cannabis flower, and adult-use cannabinoid products that:
 - (i) are obtained by a licensed cannabis cultivator, cannabis manufacturer, or cannabis wholesaler; and
 - (ii) meet all applicable packaging and labeling requirements as outlined in § 18 of this Code.
 - (3) A cannabis retailer may sell up to two (2) ounces of adult-use cannabis flower, eight (8) grams of adult-use cannabis concentrate, and edible cannabinoid products infused with 800 milligrams of tetrahydrocannabinol during a single transaction to a customer.

- (i) Edible cannabinoid products may not include more than ten (10) milligrams per serving and a single package may not include more than a total of 100 milligrams of tetrahydrocannabinol.
 - (A) A package may contain multiple servings of ten (10) milligrams of tetrahydrocannabinol provided that each serving is indicated by scoring, wrapping or other indicators designating the individual serving size.
- (c) **Sale of non-cannabis products.** A cannabis retailer may sell cannabis paraphernalia, including but not limited to:
 - (1) childproof packaging containers and other devices designed to ensure the safe storage and monitoring of cannabis flower and cannabinoid products in the consumer's home to prevent access by individuals under 21 years of age;
 - (2) drinks that do not contain alcohol or cannabis and are packaged in sealed containers labeled for retail sale;
 - (3) books and videos on the cultivation and use of cannabis flower and cannabinoid products;
 - (4) magazines and other publications published primarily for information and education on cannabis plants, cannabis flower, and cannabinoid products;
 - (5) multiple-use bags designed to carry purchased items;
 - (6) clothing or other Department-approved merchandise marked with the specific name, brand, or identifying logo of the cannabis retailer; and
 - (7) paraphernalia designed for consumption of cannabis products sold at the retail store.
- (d) **Age verification.**
 - (1) Prior to entering the licensed retail premises and initiating a sale, an employee of a licensed cannabis retailer must verify that the customer is at least 21 years of age. Proof must be established only by one of the following:
 - (i) A valid driver's license or identification card issued by a state or province of Canada including the photograph and date of birth of the licensed person;
 - (ii) a valid Tribal identification card;

- (iii) a valid instructional permit issued to a person of legal age to purchase adult-use cannabis or adult-use cannabinoid products, which includes a photograph and the date of birth of the person issued the permit; or
 - (iv) a valid passport.
 - (2) A cannabis retailer may seize a form of identification listed under § 15(d)(1) if the cannabis retailer has reasonable grounds to believe that the form of identification has been altered or falsified or is being used to violate any law. A cannabis retailer that seizes a form of identification as authorized under this section must retain a copy of the photo identification for its business records and deliver the confiscated identification to law enforcement within 48 hours of seizing it.
- (e) **Display of cannabis flower and cannabinoid products.**
- (1) A cannabis retailer must designate a retail area where customers are permitted to purchase cannabis and cannabis products.
 - (2) The retail area shall include a portion of the premises where samples of cannabis flower and cannabinoid products that are available for sale are displayed. All other cannabis flower and cannabinoid products must be securely stored in a limited-access area located behind the point-of sale or in a designated storage area inaccessible by customers.
 - (3) A cannabis retailer may display one sample of each type of cannabis flower or cannabinoid product that is available for sale.
 - (i) Samples of cannabis flower and cannabinoid products must be stored in a sample jar or display case and be accompanied by a label or notice containing the information required to be affixed on the packaging or container containing cannabis flower and cannabinoid products sold to customers.
 - (ii) Samples may not consist of more than eight (8) grams of adult-use cannabis flower or adult-use cannabis concentrate or an edible cannabinoid product infused with more than 100 milligrams of tetrahydrocannabinol.
 - (4) A cannabis retailer may allow customers to smell the cannabis flower or cannabinoid product before purchase.
 - (5) Samples of cannabis flower or cannabinoid products may not be readily accessible to customers. All sampling must be conducted under the supervision of an employee of the licensed retail store.

- (6) A cannabis retailer may not sell cannabis flower or cannabinoid products used as a sample for display.
- (f) **Posting of notices.** Cannabis retailers must post all notices as required by the Department, including but not limited to:
 - (1) information about any product recall;
 - (2) a statement that operating a motor vehicle under the influence of intoxicating cannabinoids is illegal; and
 - (3) a statement that cannabis flower and cannabinoid products are only intended for consumption by individuals who are least 21 years of age.
- (g) **On-site consumption.**
 - (1) Cannabis retailers may request as part of their license, approval by the Department for an on-site consumption area.
 - (2) In any approved on-site consumption area, the following restrictions must apply:
 - (i) cannabis retailers shall designate an enclosed, limited access area dedicated to on-site consumption.
 - (ii) a cannabis retailer shall control and restrict ingress and egress to the on-site consumption area with placement of an employee of the licensed cannabis retail store at the entrance to the on-site consumption area.
 - (iii) a cannabis retailer shall be subject to inspection by the Department or other authorized individuals while the consumption area is open for business.
 - (iv) a cannabis retailer must establish standard operating procedures for the purpose of training employees to identifying intoxication and substance abuse in customers.
- (h) **Building conditions.**
 - (1) A licensed cannabis retailer must ensure that the licensed premises is maintained in a clean and sanitary condition, free from infestation by insects, rodents, and other pests.
 - (2) A cannabis retailer must maintain a separate, secure premises designated for retail sales.

(i) **Security.**

(1) A cannabis retailer must establish and maintain a safety and security plan in compliance with § 12(i) of this Code.

(i) The safety and security plan must include, but is not limited to, requirements for:

(A) maintaining video surveillance records;

(B) use of specific locking mechanisms;

(C) establishment of secure entries; and

(D) the number of employees working at all times.

(2) All deliveries to the cannabis retail store from licensed cannabis businesses must be accepted into a limited access area.

(j) **Lighting.** A cannabis retailer must keep all lighting outside and inside the retail store in good working order with wattage sufficient for security cameras.

(k) **Prohibitions.** A cannabis retailer shall not:

(1) knowingly sell more cannabis flower or cannabinoid products than a customer is legally permitted to possess;

(2) give away immature cannabis plants or seedlings, cannabis flower, or cannabinoid products for free;

(3) allow for the dispensing of cannabis plants, cannabis flower, or cannabinoid products in vending machines; or

(4) sell cannabis plants, cannabis flower, or cannabinoid products if the cannabis retailers know that any required security or electronic tracking systems are not operational.

§ 16. Wholesale; Transportation; Delivery.

(a) **Wholesale.**

(1) **Authorized actions.**

(i) A cannabis wholesale license entitles the license holder to:

- (A) purchase immature cannabis plants and seedlings, cannabis flower, and cannabinoid products from cannabis cultivators, and cannabis manufacturers within Mille Lacs Band sovereign territory or across the State of Minnesota; and
 - (B) sell immature cannabis plants and seedlings, cannabis flower, and cannabinoid products to cannabis manufacturers and cannabis retailers within Mille Lacs Band sovereign territory, or across the State of Minnesota if permitted by State law.
- (ii) A cannabis wholesaler may purchase and sell other products or items for which the cannabis wholesaler has a license or authorization or that do not require a license or authorization. Products for which no license or authorization is required include but are not limited to cannabis paraphernalia such as childproof packaging containers and other devices designed to ensure the safe storage and monitoring of cannabis flower and cannabinoid products in a home to prevent access by individuals under 21 years of age.
- (iii) Cannabis activity that is conducted outside of the Band's sovereign territory within the State of Minnesota must be conducted in compliance with the State of Minnesota's cannabis laws.
- (2) **Separation of products.** A cannabis wholesaler must ensure the cannabis products, cannabis flower, and cannabinoid products are physically separated from all other products in a manner that prevents any cross-contamination.
- (3) **Records and labels.** A cannabis wholesaler must maintain accurate records and ensure that appropriate labels remain affixed to cannabis plants, cannabis flower, and cannabinoid products as outlined in § 18 of this Code.
- (4) **Building conditions.**
 - (i) A cannabis wholesaler must ensure that the licensed premises is maintained in a clean and sanitary condition, free from infestation from insects, rodents, and other pests.
 - (ii) A cannabis wholesaler must maintain compliance with applicable building, fire, and zoning requirements or regulations.
- (b) **Transportation and delivery.**
 - (1) **Authorized actions.**

- (i) Licensed cannabis cultivators, manufacturers, retailers, and wholesalers are authorized to transport or delivery immature cannabis plants and seedlings, cannabis flower, and cannabinoid products as permitted by the licensee's authorized actions in compliance with this section, except that transportation and delivery outside of the Band's sovereign territory must comply with the State of Minnesota's cannabis laws.

(2) **Transportation operations.**

- (i) Before transporting cannabis plants and seedlings, cannabis flower, and cannabinoid products, a licensee must obtain a shipping manifest through the established seed-to-sale tracking system determined by the Department. The manifest must be kept with the products at all times and the licensee must maintain a copy of the manifest in its records.
- (ii) Records of transportation must be kept for a minimum of three (3) years at the licensee's place of business and are subject to inspection upon request by the Department.
 - (A) Records of transportation include the following:
 - (I) copies of transportation manifests for all deliveries;
 - (II) a transportation log documenting the chain of custody for each delivery, including every employee and vehicle used during transportation; and
 - (III) financial records showing payment for transportation services.
- (iii) Cannabis plants and seedlings, cannabis flower, and cannabinoid products must be transported in a locked, safe, and secure storage compartment that is part of the motor vehicle or in a locked storage container that has a separate key or combination pad.
- (iv) Cannabis plants and seedlings, cannabis flower, and cannabinoid products may not be visible from outside the motor vehicle.
- (v) No vehicle or trailer may contain an image depicting the types of items being transported, including but not limited to an image depicting a cannabis leaf or a name suggesting that the vehicle is used in transporting cannabis products.
- (vi) A licensee must ensure that all delivery times and routes are randomized.

- (vii) All transportation vehicles transporting cannabis plants and seedlings, cannabis flower, and cannabinoid products must be staffed with a minimum of two employees. At least one delivery team member must remain with the motor vehicle at all times that the motor vehicle contains cannabis products.
 - (A) Only a cannabis worker employed by or contracted with the licensee who is at least 21 years of age may transport cannabis plants and seedlings, cannabis flower, and cannabinoid products.
 - (B) All passengers in a vehicle must be a cannabis worker employed by or contracted with the licensee.
 - (C) All drivers must carry a valid driver's license with the proper endorsement when operating a vehicle transporting cannabis plants and seedlings, cannabis flower, or cannabinoid products.
- (viii) Any vehicle assigned for the purpose of transporting cannabis plants and seedlings is subject to inspection and may be stopped or inspected at any licensed cannabis business or while en route during transportation.

(3) **Delivery operations.**

- (i) Prior to completing a delivery, a licensee must verify that the customer is at least 21 years of age prior to completing the delivery.
- (ii) Receipt of cannabis flower and cannabinoid products by the licensee and delivery to a customer must be recorded in the established seed-to-sale tracking system.
- (iii) Licensees must maintain records for delivery services conducted including but not limited to, proof of delivery to individuals who are at least 21 years of age.
- (iv) The Department shall establish limits on the amount of cannabis flower and cannabis products that a licensee may deliver.
- (v) Cannabis flower and cannabinoid products must be transported in a locked, safe, and secure storage compartment that is part of the cannabis delivery vehicle or in a locked storage container that has a separate key or combination pad.

- (A) Cannabis flower and cannabinoid products may not be visible from outside of the cannabis delivery vehicle.
- (B) No cannabis delivery vehicle or trailer may contain an image depicting the types of items being transported, including but not limited to an image depicting cannabis or a name suggesting that the cannabis delivery vehicle is used for transporting cannabis flower or cannabinoid products.
- (vi) Only a cannabis worker employed by or contracted with the licensee and who is at least 21 years of age may transport cannabis flower or cannabinoid products.
 - (A) All passengers in the cannabis delivery vehicle must be cannabis workers employed by or contracted with the cannabis delivery service.
- (vii) Any cannabis delivery vehicle is subject to inspection or may be stopped or inspected at any licensed cannabis business or while en route during transportation.

§ 17. Testing.

- (a) **Authorized actions.** A cannabis testing facility license entitles the license holder to obtain and test immature cannabis plants and seedlings, cannabis flower, and cannabinoid products from licensed cannabis cultivators, cannabis manufacturers, and cannabis wholesalers.
- (b) **Testing facility operations.**
 - (1) A cannabis testing facility must provide some or all of the testing services outlined in § 17(c) of this Code.
 - (2) A cannabis testing facility shall follow all testing protocols, standards, and criteria adopted in this Code for the testing of different forms of:
 - (i) cannabis flower and cannabinoid products;
 - (ii) determining batch size;
 - (iii) sampling;
 - (iv) testing validity; and

- (v) approval or disapproval of tested cannabis plants and seedlings, cannabis flower, and cannabinoid products.
- (3) Records of all business transactions and testing results, records required to be maintained pursuant to any applicable standards of accreditation, and records relevant to testing protocols, standards, and criteria adopted by the Department and this Code must be kept for a minimum of at least three (3) years at the cannabis testing facility's place of business and are subject to inspection by the Department upon request.
- (4) A testing facility shall dispose of or destroy used, unused, and waste cannabis plants and seedlings, cannabis flower, or cannabis in a manner determined by the Department in accordance with § 11(g) of this Code.

(c) **Testing standards and requirements.**

- (1) A cannabis business shall not sell or offer for sale cannabis flower or cannabinoid products to another cannabis business or to a customer, or otherwise transfer cannabis flower or cannabinoid products to another cannabis business unless:
 - (i) a representative sample of the batch of cannabis flower or cannabinoid product has been tested according to this section and regulations adopted under this Code;
 - (ii) the testing was completed by a cannabis testing facility that has been issued a laboratory testing facility license within or outside the Mille Lacs Band's sovereign territory, including facilities licensed by the State of Minnesota; or
 - (iii) the tested sample of cannabis flower or cannabinoid product was found to meet the testing standards established in this section.
- (2) The Mille Lacs Band requires all licensed cannabis testing facilities located within its sovereign territory to abide by the standards and procedures set by State of Minnesota regulation under Minn. Stat. 342.61.
 - (i) This includes but is not limited to, procedures governing the sampling, handling, testing, storage, and transportation of cannabis flower or cannabinoid products tested including:
 - (A) the contaminants for which cannabis flower or cannabinoid products must be tested;
 - (B) standards for potency and homogeneity testing; and

- (C) procedures applicable to cannabis businesses and cannabis testing facilities regarding cannabis flower and cannabinoid products that fail to meet the standards for allowable levels of contaminants established by the terms in this Code, that fail to meet the potency limits established under this Code, or that do not conform with the content of the cannabinoid profile listed on the product's label.
- (3) All testing required under this section must be performed in a manner that is consistent with generally-accepted requirements for testing and calibration activities.

§ 18. Packaging and Labeling.

- (a) **General.** All cannabis flower and cannabinoid products sold to customers must be packaged and labeled in accordance with this section.
- (b) **Packaging requirements.**
 - (1) All cannabis flower and cannabinoid products sold to customers must be:
 - (i) pre-packaged in packaging or a container that is plain, child-resistant, tamper-evident, and opaque; or
 - (ii) placed in a packaging or a container that is plain, child-resistant, tamper-evident, and opaque at the final point of sale to a customer.
 - (2) An edible cannabinoid product containing more than a single serving must be pre-packaged or placed at the final point of sale in packaging or a container that is resealable.
- (c) **Packaging prohibitions.**
 - (1) Cannabis flower and cannabinoid products sold to customers must not be packaged in a manner that:
 - (i) bears a reasonable resemblance to any commercially available product that does not contain cannabinoids, whether the manufacturer of the product holds a registered trademark or has registered the trade dress; or
 - (ii) is designated to appeal to a person under 21 years of age.
 - (2) Packaging for cannabis flower and cannabinoid products must not contain or be coated with any perfluoroalkyl substance.

- (3) Edible cannabinoid products must not be packaged in a material that is not approved by the United States Food and Drug Administration for use in packaging food.
- (d) **Content of label: cannabis flower.** All cannabis flower sold to customers must have affixed on the packaging or container of the cannabis flower, a label that contains at least the following information:
 - (1) the name and Department-issued license number of the cannabis cultivator where the cannabis flower was cultivated;
 - (2) the net weight or volume of cannabis flower in the package or container;
 - (3) the batch number;
 - (4) the cannabinoid profile;
 - (5) a universal symbol established by the Department indicating that the package or container contains cannabis flower;
 - (6) verification that the cannabis flower was tested according to § 17 of this Code and that the cannabis flower complies with the applicable standards;
 - (7) the maximum dose, quantity, or consumption that may be considered safe within a 24-hour period;
 - (8) the following statement: “Keep this product out of reach of children”; and
 - (9) any other statements or information required by the Department.
- (e) **Content of label: cannabinoid products.** All cannabinoid products sold to customers must have, affixed to the packaging or container of the cannabis product, a label that contains at least the following information:
 - (1) the name and Department-issued license number of the cannabis cultivator that cultivated the cannabis flower used in the cannabinoid product;
 - (2) the name and Department-issued license number of the cannabis manufacturer that manufactured the cannabis concentrate;
 - (3) the net weight or volume of the cannabinoid product in the package or container;
 - (4) the type of cannabinoid product;

- (5) the batch number;
- (6) the serving size (if applicable);
- (7) the cannabinoid profile per serving and in total;
- (8) a list of ingredients;
- (9) a universal symbol established by the Department indicating that the package or container contains a cannabinoid product;
- (10) verification that the cannabinoid product was tested according to § 17 of this Code and that the cannabinoid product complies with the applicable standards;
- (11) the maximum dose, quantity, or consumption that may be considered safe within a 24-hour period;
- (12) the following statement: “Keep this product out of reach of children”; and
- (13) any other statements or information required by the Department.

(f) **Additional information.**

- (1) A cannabis retailer may provide customers with the additional information by:
 - (i) including the information on the label affixed to the packaging or container of cannabis flower or cannabinoid product;
 - (ii) posting the information in the premises of the cannabis retailer; or
 - (iii) providing the information on a separate document or pamphlet provided to customers when a customer purchases cannabis flower or a cannabinoid product.
- (2) Additional information may include:
 - (i) factual information about impairment effects and the expected timing of impairment effects, side effects, adverse effects, and health risks of cannabis flower and cannabinoid products;
 - (ii) a statement that customers must not operate a motor vehicle or heavy machinery while under the influence of cannabis flower or a cannabinoid product;
 - (iii) resources customers may consult to answer questions about cannabis flower, cannabinoid products, and any side effects and adverse effects;

- (iv) contact information for the poison control center and a safety hotline or website for customers to report and obtain advice about side effects or adverse effects of cannabis flower and cannabinoid products; and
- (v) any other information specified by the Department.

§ 19. Advertising.

(a) Limitations applicable to advertisements.

- (1) No cannabis business shall publish, or cause to be published, an advertisement for cannabis flower, a cannabinoid product, or a cannabis business in a manner that:
 - (i) contains false or misleading statements;
 - (ii) contains unverified claims about the health or therapeutic benefits or effects of consuming cannabis flower or a cannabis product;
 - (iii) promotes the overconsumption of cannabis flower or cannabis products; or
 - (iv) depicts a person under 21 years of age consuming cannabis flower or a cannabis product.
- (2) A cannabis business may publish an advertisement for cannabis flower, a cannabinoid product, or a cannabis business in a manner that reasonably appeals to individuals who are over 21 years of age.
- (3) Advertising activity that is conducted outside of the Band's sovereign territory within the State of Minnesota must be conducted in compliance with the State of Minnesota's cannabis laws.

(b) Outdoor advertisements.

- (1) A cannabis business may advertise its business on an outdoor sign with approval from the Department and in compliance with § 19(a) of this Code.
- (2) A cannabis business may erect up to two fixed outdoor signs on the exterior of the building or property of the cannabis business.
 - (i) A fixed outdoor sign:

- (A) may contain the name of the cannabis business and the address and nature of the cannabis business; and
 - (B) may include the cannabis business' logo.
- (c) **Audience under 21 years of age.** A cannabis business shall not publish an advertisement of cannabis flower, a cannabinoid product, or a cannabis business in any print publication or on radio, television, or any other medium if 70 percent or more of the audience of that medium is reasonably expected to be individuals who are over 21 years of age, as determined by reliable, current audience composition data.

§ 20. Limitation on Consumption; Locations of Consumption.

- (a) Nothing in this Code permits any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for:
 - (1) undertaking a task under the influence of cannabis that would constitute negligence or professional malpractice;
 - (2) possessing or consuming cannabis:
 - (i) on a school bus or van;
 - (ii) in a correctional facility; or
 - (iii) on the grounds of a child care facility or family or group day care program;
 - (3) vaporizing or smoking cannabis:
 - (i) on any form of public transportation;
 - (ii) where the vapor or smoke would be inhaled by a minor; or
 - (iii) in any public place, including any indoor or outdoor area used by, or open to, the general public or a place of employment, except as permitted by licensed retailers with approval for on-site consumption;
 - (4) operating, navigating, or being in actual, physical control of a motor vehicle, aircraft, train, or motorboat; or
 - (5) working on transportation property, equipment or facilities or in other safety-sensitive jobs or industries while under the influence of cannabis.

§ 21. Ownership and Use of Mille Lacs Corporate Ventures' Revenues.

- (a) **Mille Lacs Band property.** All revenues generated from a Mille Lacs Corporate Ventures cannabis license shall be the sole property of the Band. All profits and net revenues shall be deposited into the Band's general treasury. Once deposited into the general treasury, such funds shall not be identified as cannabis funds. No individual Band member shall be deemed to have any interest in such profits or net revenues generated from a Mille Lacs Corporate Ventures cannabis license.
- (b) **Use of net revenues.** Net revenues derived from a Mille Lacs Corporate Ventures cannabis license shall follow the Net Revenue Allocation Schedule pursuant to 16 MLBS § 108.

§ 22. Personal Adult Use of Cannabis.

- (a) **Personal adult use, possession, and transportation of cannabis flower and cannabinoid products.**
 - (1) An individual 21 years of age or older may:
 - (i) use, possess, or transport cannabis paraphernalia;
 - (ii) possess or transport two (2) ounces or less of adult-use cannabis flower in a public place;
 - (iii) possess two (2) pounds or less of adult-use cannabis flower in the individual's private residence;
 - (iv) possess or transport eight (8) grams or less of adult-use cannabis concentrate;
 - (v) possess or transport edible cannabis products or lower-potency hemp edibles infused with a combined total of 800 milligrams or less of tetrahydrocannabinol;
 - (vi) give, for no remuneration to an individual who is at least 21 years of age:
 - (A) two ounces or less of adult-use cannabis flower;
 - (B) eight grams or less of adult-use cannabis concentrate;
 - (C) an edible cannabis product or lower-potency hemp edible infused with 800 milligrams or less of tetrahydrocannabinol;
and

- (vii) use adult-use cannabis flower and adult-use cannabis products in the following locations:
 - (A) in a private residence, including the individual's curtilage or yard;
 - (B) on private property, not generally accessible by the public, unless the individual is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner, manager or lessee of the property; or
 - (C) on the premises of an establishment or event licensed to permit on-site consumption.
- (2) Except as provided in paragraph (3), an individual may not:
 - (i) use, possess, or transport cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products if the individual is under 21 years of age;
 - (ii) use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a motor vehicle as defined in Title 23;
 - (iii) use cannabis flower, cannabis products, or hemp-derived consumer products in a manner that involves the inhalation of smoke, aerosol, or vapor at any location where smoking is prohibited;
 - (iv) use or possess cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in a public place, which shall include any Band-owned government-operated building, a Band school as defined in Title 9, ceremonial building, community centers, Band-owned treatment facilities, health clinics, halfway houses, or any Band-owned building that has a posted sign; this list does not include Mille Lacs Corporate Ventures or any Band-owned subsidiary;
 - (v) operate a motor vehicle while under the influence of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products;
 - (vi) give, for no remuneration, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age;

- (vii) give for no remuneration cannabis flower or cannabis products as a sample or promotional gift if the giver is in the business of selling goods or services; or
 - (viii) vaporize or smoke cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products in any location where the smoke, aerosol, or vapor would be inhaled by a minor.
- (3) The prohibitions under paragraph (2), clauses (i) to (iv), do not apply to use other than by smoking or by a vaporized delivery method, possession, or transportation of medical cannabis flower or medical cannabinoid products by a patient; a registered designated caregiver; or a parent, legal guardian, or spouse of a patient.
- (b) **Home cultivation of cannabis for personal adult use.** Up to eight (8) cannabis plants, with no more than four (4) being mature, flowering plants may be grown at a single, private residence, including the curtilage or yard, without a license to cultivate cannabis issued under this chapter provided that cultivation takes place at the primary residence of an individual 21 years of age or older and in an enclosed, locked space that is not open to public view.
- (c) **Prohibition of home cultivation of cannabis for personal adult use.** Landlords owning or managing rental property on Band-owned land may prohibit cannabis cultivation for personal adult use as described in § 22(b).
- (d) **Prohibition of cannabis in HUD homes.** Individuals living in a Band-owned HUD (Housing and Urban Development) home shall be prohibited from cultivating cannabis as described in § 22(b) of this chapter, selling, using, or possessing cannabis while on the premises of any HUD home. Any penalty to this subsection shall be addressed in a Housing policy.
- (e) **Home extraction of cannabis concentrate by use of volatile solvent prohibited.** No person may use a volatile solvent to separate or extract cannabis concentrate without a license issued under this Code.
- (f) **Sale of cannabis flower and products prohibited.** No person may sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products without a license issued under this Code that authorizes the sale.
- (g) **Penalties.**
- (1) The Department may assess a civil penalty of up to \$250 per offense against a person who sells cannabis flower, cannabis products, cannabis concentrate,

lower-potency hemp edibles, or hemp-derived consumer products without a license issued under this chapter that authorizes the sale.

(2) The Department may assess a civil penalty of up to \$250 per offense against a person who violates § 22 (a)(2).

(2)(3) The Department may assess a civil penalty of up to \$100 for each plant grown in excess of the limit against a person who grows more than eight (8) cannabis plants or more than four (4) mature, flowering plants, without a license to cultivate cannabis issued under this Code.

§ 23. Violations.

In addition to penalties listed in this subsection, a person who violates the provisions of this Code is subject to any applicable criminal penalty.

§ 24. Provisional License for Mille Lacs Corporate Ventures.

Mille Lacs Corporate Ventures shall obtain a provisional cannabis license for each license as listed in § 10(a)(2). All provisional licenses may be granted by a Resolution of the Band Assembly starting on the effective date of this Act and shall expire on December 31, 2024. After expiration of all provisional cannabis licenses, Mille Lacs Corporate Ventures shall obtain any and all cannabis licenses through the Department's processes as listed above.

§ 25. Medical Marijuana.

The Minnesota Cannabis Registry for medical marijuana patients and their caregivers, and in particular, Minnesota registry verification cards, shall be recognized by the Band and by the Mille Lacs Band of Ojibwe Personnel Policies pursuant to 6 MLBS § 1.

Section 2. Amending 22 MLBS § 509 to add a subsection.

(a) There is hereby imposed, a special surcharge tax, requiring that one percent (1%) of gross cannabis sales within the Band's sovereign territory be distributed to the Mille Lacs Band of Ojibwe government to fund drug abuse prevention efforts through education, prevention, and treatment for the community.

Section 3. Amending 23 MLBS §§ 1, 7.

§ 1. Incorporation by Reference.

- (a) For the purpose of enforcing 23 MLBS § 7, the Band Assembly hereby creates Title 23 of the Mille Lacs Band Statutes ~~Annotated~~. Title 23 shall be entitled "Prohibited Drugs". It is the intent of the Band Assembly to incorporate the following provisions of the Statutes of the State of Minnesota, Chapter 152-~~Prohibited Drugs~~Drugs; Controlled Substances as Title 23 of the Mille Lacs Band Statutes ~~Annotated~~. The intent of the Band Assembly is to exercise concurrent criminal jurisdiction with the State of Minnesota pursuant to the provisions of 18 U.S.C. § 1162 to protect the general health, welfare, and safety of those persons who reside on lands subject to the jurisdiction of the Band. The following provisions of Minnesota Statutes Chapter 152 are hereby incorporated by reference into this title:

- (1) Section 152.01 – Definitions;
- (2) Section 152.02 – Schedule of Controlled Substances;
- ~~(3) Section 152.09 – Prohibited Acts~~
- ~~(4)~~(3) Section 152.10 – Sales, Persons Eligible; and
- ~~(5)~~(4) Section 152.12 – ~~Doctors may Prescribe~~Health Care Providers May Prescribe
- ~~(6) Section 152.19 – Forfeitures~~
- ~~(7) Section 152.21, Subdivision 6 – THC Therapeutic Research Act/Exemption from Criminal Sanction~~

- (b) All subsections within an above sectional listing shall apply.

- ~~(c)~~ The following provisions of Minnesota Statutes, Chapter 152, shall be incorporated by reference into this title for the purposes of enforcement:

- ~~(1)~~ Sections 152.01 - Definitions;
- ~~(2)~~ Section 152.02 - Schedules of Controlled Substances;
- ~~(3)~~ Section 152.10 - Sales, Persons Eligible;
- ~~(4)~~ Section 152.11 - ~~Written or Oral Prescriptions;~~ Requisites; and
- ~~(4)~~(5) Section 152.12 - ~~Doctors~~ Health Care Providers May Prescribe; shall be incorporated by reference into this title for the purposes of enforcement. ~~Provisions of Section 152.19 – Forfeiture are applicable.~~

§ 7. Possession within Motor Vehicle.

- (a) Any person who is the owner of a private motor vehicle, or the driver of a motor vehicle if the owner is not present, and who possesses on her or his person or knowingly keeps or allows to be kept in a motor vehicle within the area of the vehicle normally occupied by the driver or passengers ~~any marijuana or controlled drugs or~~ violates 15 MLBS § 22(a)(1)(i),(ii), (iv), or (v) or 15 MLBS § 22(a)(2)(i), shall be deemed guilty of an offense, and upon conviction thereof, ~~may be sentenced to incarceration or labor for a period of time not to exceed 180 days, and/or may receive~~ a fine not to exceed \$500.00, provided that the violation of Title 15 or introduction of said-controlled substance on lands under the jurisdiction of the Band is not for illegal distribution purposes. The judge or jury shall specifically enter a finding of intent based upon the evidence introduced at trial. Should the judge or jury enter a finding of intent to distribute, upon conviction thereof, a sentence of exclusion from all lands under the jurisdiction of the Non-Removable Mille Lacs Band of ~~Chippewa~~ IndiansOjibwe for a period of time at the discretion of the Court shall be imposed.
- (b) The area of the vehicle shall not include the trunk of the motor vehicle when such vehicle is equipped with a trunk or another area of the vehicle not normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment shall be deemed to be within the area occupied by the driver and passenger.
- (1) For any person 21 years old and older, the existence of more than 2 ounces of cannabis flower, 8 grams of concentrate, or 800 milligrams of edible product (including low-potency hemp-derived product).~~05 ounces of marijuana~~ in the trunk of any motor vehicle shall be prima facie evidence of an intent to illegally distribute.
- (2) For any person 20 years old and younger, the existence of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in the trunk of any motor vehicle shall be prima facie evidence of an intent to illegally distribute.

EFFECTIVE DATE. This bill shall take effect immediately upon signature by the Chief Executive, or lack of a veto, as provided in 3 MLBS § 17.

Act 03-24
(Band Assembly Bill 21-01-03-24)


Introduced to the Band Assembly on this
Ninth day of January in the year
Two thousand twenty-four.

Passed by the Band Assembly on this
Ninth day of January in the year
Two thousand twenty-four.


Sheldon Boyd, Speaker of the Assembly

APPROVED

Date: January 17, 2024


Melanie Benjamin, Chief Executive

OFFICIAL SEAL OF THE BAND

VETO



MILLE LACS BAND OF OJIBWE

Executive Branch of Tribal Government

January 16th, 2024

Honorable Members of the Band Assembly
43408 Oodena Drive
Onamia, MN 56359

Dear Honorable Members of the Band Assembly:

Please accept this letter as formal notice that, while I support legislation to authorize and regulate cannabis, I have concerns about how some of the provisions in the bill are worded that could be problematic for the Band and the business. I have also identified typos that need correcting and, as such, I have no choice but to veto Band Assembly Bill 21-01-03-24 (the "Cannabis Code") in its current iteration. I look forward to meeting with you to improve the bill and make corrections so we can get legislation adopted into law.

I will continue reviewing the bill, and respectfully request that your staff provide my office with an electronic version of the bill that can be edited so that we can provide you with a redlined version recommending specific language. Please copy Percy Benjamin, Emily Johnson and Rebecca St. George on that email.

I have appreciated our discussions about how to enter the cannabis industry in a manner that serves the best interests of the Band and its members, as well as everyone's diligent and hard work on the proposed bill. I look forward to discussing these issues in the future, and I am confident that we can come to a resolution.

Sincerely,


Melanie Benjamin
Chief Executive

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