

**BOIS FORTE CANNABIS REGULATORY COMMISSION  
RESOLUTION NO. 02-2025**

**A RESOLUTION APPROVING CHAPTERS 1-6  
OF THE BOIS FORTE CANNABIS REGULATIONS**

**WHEREAS**, the Reservation Tribal Council (“RTC”) of the Bois Forte Band of Chippewa (“Band”) has adopted the Bois Forte Cannabis Regulatory Ordinance (the “Ordinance”) to regulate the cultivation, distribution, and sale of cannabis within the jurisdiction of the Bois Forte Reservation; and

**WHEREAS**, the Ordinance establishes the Bois Forte Cannabis Regulatory Commission (the “Commission”) as the civil regulatory agency of the Band having oversight of the regulation of cannabis within the Band’s jurisdiction; and

**WHEREAS**, the Ordinance delegates to the Commission certain powers, including the power to promulgate regulations with respect to the provisions of the Ordinance, and to amend and repeal such regulations, subject to the approval of the Tribal Council; and

**WHEREAS**, Section 2.4(D) of the Ordinance further empowers the Director of the Commission to exercise the authority and powers of the Commission in the event that fewer than two duly appointed and serving Commissioners are in office; and

**WHEREAS**, at the time of the adoption of this Resolution, there are fewer than two duly appointed and serving Commissioners, and the Director is duly appointed and serving as the sole member of the Commission; and

**WHEREAS**, the Director has developed and reviewed cannabis regulations governing General Matters (Chapter 1); Licensing (Chapter 2); Quality Control and Testing (Chapter 3); Facility Operational Standards, Audits, and Inspections (Chapter 4); Retail Sales (Chapter 5); and Transportation (Chapter 6), and has determined that it is in the best interest of the Band and the Commission to approve said regulations.

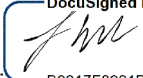
**NOW, THEREFORE, BE IT RESOLVED**, that the Bois Forte Cannabis Regulatory Commission, acting through its Director under Section 2.4(D) of the Ordinance, hereby approves the cannabis regulations governing General Matters (Chapter 1); Licensing (Chapter 2); Quality Control and Testing (Chapter 3); Facility Operational Standards, Audits, and Inspections (Chapter 4); Retail Sales (Chapter 5); and Transportation (Chapter 6), all of which are attached hereto as Exhibit A and incorporated herein; and

**BE IT FURTHER RESOLVED**, that the regulations governing General Matters (Chapter 1) and Licensing (Chapter 2) approved under Commission Resolution No. 01-2025 are hereby repealed and replaced through the approvals set forth herein; and

**BE IT FURTHER AND FINALLY RESOLVED**, that the Commission's approval shall be forwarded to the RTC, after which the Commission action shall become effective upon approval of the RTC as confirmed by the RTC approval certification below.

**COMMISSION CERTIFICATION**

I, Saydee Whitebird, Director of the Bois Forte Cannabis Regulatory Commission, do hereby certify that the above Resolution was duly approved by the Director under Section 2.4(D) of the Bois Forte Cannabis Regulatory Ordinance and adopted by the Commission on this December 9, 2024.

DocuSigned by:  
  
B0917F8991B7402...  
Saydee Whitebird  
Director, Bois Forte Cannabis Regulatory Commission

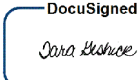
Date: December 9, 2024

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**RTC APPROVAL CERTIFICATION**

We do hereby certify that the forgoing action of the Bois Forte Cannabis Regulatory Commission was duly approved upon by a vote of 4 for, 0 against, 0 abstaining, by the Bois Forte Reservation Tribal Council, a quorum being present, on December 10, 2024 at Nett Lake, Minnesota.

DocuSigned by:  
  
B58AD3BCD19445C...  
Caryn Cravers  
Chairwoman

DocuSigned by:  
  
D997D62D8C6C492...  
Sara Kishore  
Secretary-Treasurer

**TABLE OF CONTENTS**

**1.1 PURPOSE, DEFINITIONS ..... 1**

    1.1.1 Purpose of this Chapter ..... 1

    1.1.2 Definitions ..... 1

**1.2 BUDGET CONTENTS, PREPARATION, AND APPROVAL ..... 1**

    1.2.1 Budget Contents and Preparation ..... 1

    1.2.2 Budget Approvals ..... 1

    1.2.3 Budget Shortfalls and Amendments to Budget ..... 2

**1.3 RECORD KEEPING AND STORAGE; MAINTENANCE OF RECORDS; AND  
REQUIRED DOCUMENTS FOR STORAGE ..... 2**

    1.3.1 Record Storage Location ..... 2

    1.3.2 Records Required to be Kept ..... 2

**1.4 COMMISSION STAFF; HIRING OF COMMISSION STAFF ..... 3**

    1.4.1 Authority to Hire and Delegate ..... 3

    1.4.2 Hiring Budget ..... 3

## **CHAPTER 1**

### **GENERAL MATTERS**

#### **1.1 PURPOSE, DEFINITIONS**

##### **1.1.1 Purpose of this Chapter**

The purpose of this Chapter is to establish rules of procedure for the internal operations of the Bois Forte Cannabis Regulatory Commission, in addition to those established under Chapter 2 of the Bois Forte Cannabis Regulatory Ordinance. This Chapter shall be used in lieu of organizational bylaws.

##### **1.1.2 Definitions**

All capitalized terms used in this Chapter shall have the meaning given to those terms in the Bois Forte Cannabis Regulatory Ordinance, also referred to from time to time as the “Ordinance.”

#### **1.2 BUDGET CONTENTS, PREPARATION, AND APPROVAL**

##### **1.2.1 Budget Contents and Preparation**

- (1) The Commission Director shall, during the first fiscal year of the Commission’s establishment, in consultation with all other appointed Commissioners, submit a proposed budget for Commission operations to the Tribal Council for the remainder of the then-current fiscal year. Thereafter, no later than August 15 of each year, the Commission Director shall, in consultation with all other appointed Commissioners, prepare and submit a proposed budget for Commission operations for the following fiscal year to the Tribal Council. A proposed budget shall include the following:
  - a. A line-item budget showing all anticipated individual expenditures grouped by category and a subtotal for each category; and
  - b. The amount of anticipated revenue from taxes, licenses, applications, and other Commission fees, and any unexpected funds retained by the Commission at the end of the prior fiscal year, excluding funds that are obligated for costs or expenses incurred during the prior fiscal year.

##### **1.2.2 Budget Approvals**

- (1) The Tribal Council shall, within 30 days following its receipt of the proposed budget described in Subsection 1.2.1, at a Tribal Council meeting called for the purpose of budgetary review, approve or deny the proposed budget, or require the Commission make modifications to the proposed budget. If the budget is denied, or if the Tribal Council requires the Commission to submit a modified budget, the Tribal Council shall, at the aforementioned Tribal Council meeting, establish the date by which the budget shall be resubmitted and the date on which the Tribal Council shall hold a meeting to reconsider the budget for approval, denial, or further modification.

- (2) Following the approval of the first fiscal year, a Commission budget shall always be in effect. If the Tribal Council is not able to approve a Commission budget in accordance with this Section, the Commission shall operate in accordance with the previous fiscal year's budget until such time as a budget for the current fiscal year is approved. Failure to approve a Commission budget shall not affect the authorities or responsibilities of the Commission pursuant to the Ordinance or these Regulations.

### **1.2.3 Budget Shortfalls and Amendments to Budget**

The Commission may, without Tribal Council approval, increase an in-effect fiscal budget by not more than ten percent (in the aggregate for the fiscal year) as necessary, to reflect any unforeseen changes, variables or events, or to include additional, unanticipated items of expense, provided sufficient funds are available to revise such budget. Alternatively, the Commission may adjust the budget to increase and decrease amounts associated with the line items therein (including the addition or deletion of line items), provided the aggregate, total amount of all line items in the budget remains constant. Changes to the budget greater than ten percent shall require approval by the Tribal Council. Any surplus funds shall be retained by the Commission and shall be included in the following year's budget.

## **1.3 RECORD KEEPING AND STORAGE; MAINTENANCE OF RECORDS; AND REQUIRED DOCUMENTS FOR STORAGE**

### **1.3.1 Record Storage Location**

The Commission shall keep, maintain, and store in a secure place at its principal place of business, or in a secure electronic location that is password protected, all records required under Section 1.3.2

### **1.3.2 Documents Required to be Kept**

- (1) The Commission shall keep, maintain, and store permanent records of the following documents:
  - a. These Regulations, and all modifications of these Regulations;
  - b. All interim opinions, memoranda, and policy statements made by the Commission;
  - c. All Commission resolutions, Commission meeting minutes, budgets, and annual reports;
  - d. All correspondence sent or received by non-Tribal governmental agencies;
  - e. Copies of all licenses approved by the Commission, and a record of the date of license approval, Enforcement Actions taken against the licensee, and the date of surrender, revocation, or expiration of the license;
  - f. All applications for licenses approved by the Commission, including all documents submitted therewith, and all background checks conducted in association therewith where applicable;
  - g. A record of, and all documents associated with, all Initiating Reports and the results thereof;



## TABLE OF CONTENTS

<b>2.1 PURPOSE, DEFINITIONS</b> .....	<b>1</b>
2.1.1 Purpose of this Chapter .....	<b>1</b>
2.1.2 Definitions .....	<b>1</b>
<b>2.2 BOIS FORTE CANNABIS BUSINESS LICENSES</b> .....	<b>3</b>
2.2.1 Persons Required and Persons Eligible to Possess a Band Cannabis Business License .....	<b>3</b>
2.2.1.1 Persons Required to Possess a Band Cannabis Business License .....	<b>3</b>
2.2.1.2 Persons Eligible to Possess a Band Cannabis License .....	<b>4</b>
2.2.2 Suitability Determinations for Band Cannabis Business License Applicants.....	<b>4</b>
2.2.2.1 Suitability Determination Criteria.....	<b>4</b>
2.2.2.2 Suitability Determination Procedure.....	<b>5</b>
2.2.3 Background Checks for Band Cannabis Business License Applicants.....	<b>6</b>
2.2.3.1 Conduct of Background Checks .....	<b>6</b>
2.2.3.2 Background Check Reports .....	<b>6</b>
2.2.4 Safety and Security Checks for Band Cannabis Business License Applicants.....	<b>6</b>
2.2.4.1 Conduct of Safety and Security Checks.....	<b>6</b>
2.2.4.2 Safety and Security Check Reports.....	<b>7</b>
2.2.5 Band Cannabis Business License Renewals .....	<b>7</b>
2.2.6 Form, Delivery, and Display of Band Cannabis Business Licenses .....	<b>7</b>
2.2.6.1 Form of Band Cannabis Business Licenses .....	<b>7</b>
2.2.6.2 Delivery of Band Cannabis Business Licenses.....	<b>8</b>
2.2.6.3 Display of Band Cannabis Business Licenses .....	<b>8</b>
2.2.7 Responsibilities of Licensees .....	<b>8</b>
<b>2.3 EMPLOYEE LICENSES</b> .....	<b>8</b>
2.3.1 Persons Required and Persons Eligible to Possess an Employee License .....	<b>8</b>
2.3.1.1 Persons Required to Possess an Employee License.....	<b>8</b>
2.3.1.2 Persons Eligible to Possess an Employee License.....	<b>8</b>
2.3.2 Suitability Determinations for Employee License Applicants .....	<b>9</b>
2.3.2.1 Suitability Determination Criteria.....	<b>9</b>
2.3.2.2 Suitability Determination Procedure.....	<b>9</b>
2.3.3 Background Checks for Employee License Applicants.....	<b>10</b>

- 2.3.3.1 Conduct of Background Checks .....10
- 2.3.3.2 Background Check Reports .....11
- 2.3.4 Employee License Renewals.....11
  - 2.3.4.1 Renewal Process .....11
- 2.3.5 Form, Delivery, and Display of Employee Licenses .....11
  - 2.3.5.1 Form of Employee Licenses .....11
  - 2.3.5.2 Delivery of Employee Licenses .....11
  - 2.3.5.3 Display of Employee Licenses.....12
- 2.4 FOREIGN CANNABIS BUSINESS LICENSES: VENDOR LICENSES, COMMERCIAL PURCHASER LICENSES, AND TRANSPORT LICENSES .....12**
  - 2.4.1 Applicability .....12
  - 2.4.2 Persons Required and Persons Eligible to Possess a Foreign Cannabis Business License .....12
    - 2.4.2.1 Persons Required to Possess a Foreign Cannabis Business License .....12
    - 2.4.2.2 Persons Eligible to Possess a Foreign Cannabis Business License .....12
  - 2.4.3 Suitability Determinations for Foreign Cannabis Business License Applicants.....12
    - 2.4.3.1 Suitability Determination Criteria.....12
    - 2.4.3.2 Suitability Determination Procedure.....13
  - 2.4.4 Background Checks for Foreign Cannabis Business License Applicants.....14
    - 2.4.4.1 Conduct of Background Checks .....14
    - 2.4.4.2 Background Check Reports .....14
  - 2.4.5 Foreign Cannabis Business License Renewals .....15
    - 2.4.5.1 Renewal Process .....15
  - 2.4.6 Form, Delivery, and Display of Foreign Cannabis Business Licenses .....15
    - 2.4.6.1 Form of Foreign Cannabis Business Licenses .....15
    - 2.4.6.2 Delivery of Foreign Cannabis Business Licenses.....15
- 2.5 TRANSPORT ENDORSEMENTS .....15**
  - 2.5.1 Persons Required and Persons Eligible to Possess a Transport Endorsement .....15
    - 2.5.1.1 Persons Required to Possess a Transport Endorsement.....15
    - 2.5.1.2 Persons Eligible to Possess a Transport Endorsement.....16
    - 2.5.1.3 Obtaining a Transport Endorsement .....16
  - 2.5.2 Suitability Determinations for Transport .....16
    - 2.5.2.1 Suitability for Transport Endorsement.....16



2.5.3 Transport Endorsements Do Not Require Renewal .....16

2.5.4 Form and Delivery of Transport Endorsements .....17

    2.5.4.1 Form of Transport Endorsement.....17

    2.5.4.2 Delivery of Band Cannabis Business Licenses and Foreign Cannabis  
Business Licenses with Transport Endorsements .....17

**2.6 CANNABIS EVENT LICENSES .....17**

    2.6.1 Persons Required and Persons Eligible to Possess a Cannabis Event License .....17

        2.6.1.1 Persons Required to Possess a Cannabis Event License.....17

        2.6.1.2 Persons Eligible to Possess a Cannabis Event License.....17

    2.6.2 Applying for a Cannabis Event License.....17

**2.7 LICENSING RECIPROCITY FOR TRIBAL AND STATE LICENSES .....17**

    2.7.1 Grants of Reciprocity to State Licensing Agencies .....17

    2.7.2 Conditions and Effect of Reciprocity.....18

**2.8 LICENSING INELIGIBILITY; DEFAULT UNSUITABILITY.....18**

**2.9 FORGIVENESS POLICY .....19**

    2.9.1 Purpose.....19

    2.9.2 Forgiveness Criteria .....19

        2.9.2.1 Threshold Criteria for Allowing the Commission to Grant a Forgiveness  
Waiver to a Person Convicted of a Disqualifying Offense.....19

        2.9.2.2 Automatic Forgiveness Waiver.....20

        2.9.2.3 Prohibitions on Forgiveness.....20

    2.9.3 Commission Procedure for Granting a Forgiveness Waiver.....20

        2.9.3.1 Commission Procedure for Granting a Forgiveness Waiver .....20

**2.10 MISCELLANEOUS LICENSING MATTERS .....21**

    2.10.1 Temporary Licenses and Endorsements.....21

        2.10.1.1 Issuance and Conditions of Temporary Licenses and Endorsement  
Generally.....21

        2.10.1.2 Special Conditions Regarding Temporary Band Cannabis Business  
Licenses.....21

    2.10.2 Conditional Licenses .....21

    2.10.3 Licensee Continuing Duties .....21

    2.10.4 Prior Obtained Background Checks.....22

## CHAPTER 2

### LICENSING

#### 2.1 PURPOSE, DEFINITIONS

##### 2.1.1 Purpose of this Chapter

The purpose of this regulation is to set forth the standards, processes, and procedures by which: (1) applicants may seek Licenses for the privilege of participating in Commercial Cannabis Activity under the laws and regulations of the Bois Forte Band; and (2) the Commission shall review and process license applications, including determinations of an applicant’s suitability to possess a License.

##### 2.1.2 Definitions

All capitalized terms used in this regulation and not otherwise defined within the individual subsections herein shall have the meanings given to those terms in the Bois Forte Cannabis Regulatory Ordinance, also referred to from time to time as the “Ordinance.”

The following terms used through this regulation shall have the following meanings:

- (1) “Background Check” means the Commission’s examination of an applicant’s civil, criminal, and financial history in order to determine if the applicant is suitable for a License. The results of a Background Check serve as the informational basis of a Background Check Report.
- (2) “Background Check Report” means a report summarizing a Background Check conducted by the Commission in association with a License suitability determination.
- (3) “Business Entity” means either: (a) a sole proprietorship; or (b) a corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority, or other entity organized or licensed for the purpose of performing business activities.
- (4) “Cannabis Event” is defined in the Ordinance as any planned marketing, promotional, educational, training or other social event occurring at or in association with a Band Cannabis Facility that is (a) open to the general public and (b) offers temporary amenities or entertainment not ordinarily available at the Band Cannabis Facility, such as food trucks, outdoor sales kiosks, informational booths and live music. The placement or conduct of temporary sales kiosks, informational booths and other like temporary amenities located in the indoor areas of a Band Cannabis Facility is not considered a Cannabis Event. The placement of temporary sales kiosks, informational booths and other like temporary amenities located in the outdoor areas of Band Cannabis Facility is not considered a Cannabis Event unless Cannabis Product is Sold at such kiosks, booths, or other like amenities.
- (5) “Commercial Cannabis” means Adult Use Cannabis Product, Adult Use Cannabis Flower, Adult Use Cannabis Edible, Adult Use Cannabis Concentrate, or any combination of the foregoing, as the context may so indicate; provided, however, that

the term Commercial Cannabis does not include Cannabis for Personal Use or Medical Use.

- (6) “Commercial Cannabis Activity” means the cultivation; production and processing; retail sale; wholesale or distribution; transportation; permitting of on-site consumption, including events and temporary licensing; packaging; labeling; storing of commercial cannabis.
- (7) “Complete Application” means an application that includes the following information:
  - a. Identification of directors (or equivalent office as applicable to the legal entity) and management employees;
  - b. Identification of the license category or categories and any endorsements sought by the applicant;
  - c. Address and legal property description of the business;
  - d. Operating procedures (including the plans for compliance with inventory, safety testing, and security) applicable to the license category sought;
  - e. To the extent not included in (d):
    - i. A general description of the location or locations that the applicant plans to operate, including the planned square feet of planned space for cultivation, wholesaling, and retailing, as applicable;
    - ii. 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;
  - f. Certification that the applicant will comply with the requirements of the Cannabis Regulatory Ordinance and the regulations and order promulgated by the Cannabis Regulatory Commission relating to the ownership and operation of a cannabis business;
  - g. Identification of one or more controlling persons or managerial employees as agents who shall be responsible for dealing with the Commission on all matters;
  - h. Any other information that the Commission may require;
  - i. An application fee, as set forth in the application fee schedule by order of the Commission and approved by the Tribal Council.
- (8) “Disqualifying Offense” means any felony or any lesser crime if that crime involved theft, fraud, or misappropriation or embezzlement of money, under any federal, state, or tribal jurisdiction, unless the Commission specifically finds that the Person who committed the offense qualifies for a Forgiveness Waiver pursuant to the forgiveness policy set forth in Section 2.11.
- (9) “Employee” means a natural person who participates in Commercial Cannabis Activity on behalf of a Band Cannabis Business, including Key Employees. An “Employee” includes employees, independent contractors, paid or unpaid interns, volunteers or any other person in privity of contract with a Band Cannabis Business or a Band Cannabis Facility who (i) regularly perform job duties at or within a Band Cannabis Facility, or (ii) qualifies as a Key Employee, irrespective of whether he or she regularly performs job duties at or within a Band Cannabis Facility.

- (10) “Forgiveness Waiver” means a waiver granted by the Commission to an applicant forgiving the Disqualifying Offense.
- (11) “Illicit Organization” means any organization that operates in contravention of Band law, or in contravention of state or federal law not in conflict with Band law, including but not limited to criminal enterprises, gangs, cartels or other organizations participating in, or aiding and abetting, criminal activity.
- (12) “Key employee” means an Employee who has day-to-day management responsibilities over the staff, finances, inventory or business operations of a Band Cannabis Business. It includes the general and assistant managers of the Band Cannabis Business, and if otherwise not included, the two most highly compensated Employees of the Band Cannabis Business. It also includes any Employee who is determined to be a Key Employee by the Commission.
- (13) “Owner” means the four Persons with the highest equity interests in the applicant and all Persons with an equity interest of ten percent or more in the applicant.
- (14) “Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority, or other entity.
- (15) The phrase “Privity of contract,” as used in association with the definition of an Employee refers to any individual who is in a contractual relationship with a Band Cannabis Business, including individuals who are bound by duties or obligations to, or in association with, a corporate charter, operating agreement, partnership agreement or other governing document of a Business Entity that is a Band Cannabis Business.
- (16) “Public Access Area” means those areas of a Cannabis Retail Facility that are open to the general public and not constituting a Limited Access Area.
- (17) “Safety and Security Check” means the Commission’s review of an applicant’s safety and security plan, lighting plans and applicable building plans and specifications and in association with a proposed Band Cannabis Facility. The results of the Safety and Security Check serve as the informational basis of a Safety and Security Check Report.
- (18) “Safety and Security Check Report” means the report summarizing a Safety and Security Check.
- (19) “Transport Endorsement” means a License designation authorizing a Cannabis Business to engage in the Transport of Commercial Cannabis.

## **2.2 BOIS FORTE CANNABIS BUSINESS LICENSES**

### **2.2.1 Persons Required and Persons Eligible to Possess a Band Cannabis Business License**

#### **2.2.1.1 Persons Required to Possess a Band Cannabis Business License**

Every Person seeking to operate a Band Cannabis Business must obtain the applicable Band Cannabis Business License from the Commission prior to engaging in any Commercial Cannabis Activity.

#### **2.2.1.2 Persons Eligible to Possess a Band Cannabis License**

To be eligible for a Band Cannabis Business license, an applicant must:

- (1) Be the Band or an entity wholly owned by the Band, established under Band law;
- (2) Have a Band Cannabis Business that is, or will be upon licensing, located within the Band's Territory;
- (3) Submit an application for a Band Cannabis Business License;
- (4) Be determined suitable to possess a Band Cannabis Business License by the Commission in accordance with Section 2.2.2; and
- (5) Pay all required License application fees.

## **2.2.2 Suitability Determinations for Band Cannabis Business License Applicants**

### **2.2.2.1 Suitability Determination Criteria**

- (1) The Commission shall find an applicant suitable to hold a Band Cannabis Business License only if such Person demonstrates to the satisfaction of the Commission, in its sole discretion, all criteria under this Section 2.2.
- (2) Granting the applicant a Band Cannabis Business License must not be inimical to public health, safety, or welfare or undermine the public trust that the Commercial Cannabis Activity within the Band's Territory is free from criminal and dishonest elements.
- (3) If the applicant is an individual, he or she must be of good character, honesty and integrity, whose prior and current activities, criminal record, if any, and associations do not pose a threat to the public interest or to the effective regulation and control of Commercial Cannabis Activity, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods or activities in the conduct of Commercial Cannabis Activity, or in the carrying on of the business and financial arrangements incidental thereto.
- (4) If the applicant is a Business Entity, it must not have a business record which poses a threat to the public interest or to the effective regulation and control of Commercial Cannabis Activity, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, or activities in the conduct of Commercial Cannabis Activity, or in the carrying on of the business and financial arrangements incidental thereto.
- (5) The applicant must not be determined unsuitable pursuant to the criteria established under Subsection 2.10.2.
- (6) The applicant and all Persons identified as Key Employees in the application must pass a Background Check.
- (7) The applicant's Band Cannabis Facility must pass a Safety and Security Investigation.
- (8) The applicant must submit a complete application, including all required documentation, demonstrating to the satisfaction of the Commission that the applicant possesses the character, knowledge, experience, and financial capacity to successfully operate a Commercial Cannabis Enterprise in accordance with the Cannabis Regulatory Ordinance and these Regulations.
- (9) The Commission may perform any additional Background Checks on any other Persons within the applicant's business organization it deems reasonably necessary to make a suitability determination.

- (10) The Commission may require the submission of any additional documents, materials or information, and may conduct interviews of any Persons associated with the applicant, it deems reasonably necessary to make a suitability determination.

#### **2.2.2.2 Suitability Determination Procedure**

- (1) The Director of the Commission shall first review the application for completeness.
- (2) Incomplete applications shall be rejected, and the Director shall provide the applicant with notice and a reasonable opportunity to remedy any deficiencies.
- (3) Upon receiving a complete application, the Director shall prepare, or facilitate the preparation of, the following documents for review by the Commission:
  - a. A Background Check Report for:
    - i. the applicant;
    - ii. each individual identified as an Employee of the applicant; and
    - iii. any additional Person under Subsection 2.2.2.1(9).
  - b. The Safety and Security Check Report on the applicant's Band Cannabis Facility.
- (4) The Director shall review the application, Background Check Report(s) and Safety and Security Check Report, and such documents shall be the basis for the Director to determine whether to recommend that the applicant is suitable for a Band Cannabis Business License.
- (5) The Director shall submit his or her recommendation to grant or deny the application to the Commission for approval.
- (6) The Commission shall consider the Director's recommendation and may approve it per the requirements of the Ordinance. The Commission may also approve the recommendation subject to modifications or conditions.
- (7) If the Commission determines that an applicant is suitable for a License, it shall submit this determination to the Tribal Council. The Tribal Council may approve or disapprove of the License issuance. If the Tribal Council does not act on the determination within 60 days, it shall be deemed denied.
- (8) If the Tribal Council approves of the issuance of a License after the Commission has determined that the applicant is suitable, the Commission shall inform the applicant by letter, with a copy of its approved Band Cannabis Business License enclosed. The License shall be effective on the date of approval by the Tribal Council unless the Commission's determination submitted to the Tribal Council recommended a later effective date.
- (9) If the Commission determines that the applicant is not suitable for a Band Cannabis Business License, the Commission shall inform the applicant by letter. If the reasons for ineligibility are of a nature that are reasonably capable of cure, the Commission may, at its discretion, identify the reasons giving rise to its determination of unsuitability and, if the applicant so desires, it may resubmit its application for reconsideration.
- (10) If an applicant is deemed unsuitable by the Commission with no further opportunity to cure, or an application is deemed incomplete and the applicant either is unable or unwilling to supply a complete application, the Commission shall return all paid application fees to the applicant, minus a \$500 review fee.

#### **2.2.3 Background Checks for Band Cannabis Business License Applicants**

##### **2.2.3.1 Conduct of Background Checks**

- (1) The Commission shall conduct a Background Check on the applicant and the other Persons identified in Subsection 2.2.2.3(3)(a), using the criteria of this Subsection 2.2.3.1.
- (2) For individuals, the Commission shall conduct the following screenings:
  - a. A county criminal search of no less than seven years.
  - b. A federal criminal search of no less than the past seven years.
  - c. A Bois Forte Tribal Court criminal search and searches of any other tribal criminal records available to the Commission.
  - d. A state criminal search of no less than the past seven years.
- (3) For Business Entities, the Commission shall conduct the following screenings:
  - a. A county civil defendant search of no less than seven years for the county in which the applicant is located.
  - b. A UCC search for the state in which the applicant is located.
  - c. A county, state, and federal tax liens/judgments search for the county and state in which the applicant is located.
  - d. A bankruptcy search.
- (4) For individuals and Business Entities, the Commission may:
  - a. verify, question, and interview any Person listed as a reference by the applicant in its application;
  - b. conduct a financial and credit check; and
  - c. conduct any other investigation deemed necessary or appropriate by the Commission.

#### **2.2.3.2 Background Check Reports**

- (1) Once a Background Check is complete, the Commission shall produce a Background Check Report.
- (2) A Background Check Report shall include:
  - a. the results of the Background Check;
  - b. a statement about whether the applicant has been convicted of any felony or any lesser crime if that crime involved theft, fraud, or misappropriation or embezzlement of money, under any federal, state, or tribal jurisdiction;
  - c. the conclusions reached based on the results of the Background Check; and
  - d. the justifications for such conclusions.
- (3) The Background Check Report shall be made available to all Commissioners for use in making suitability determinations.

#### **2.2.4 Safety and Security Checks for Band Cannabis Business License Applicants**

##### **2.2.4.1 Conduct of Safety and Security Checks**

- (1) The Commission shall conduct a Safety and Security Check on the applicant as part of its suitability determination.
- (2) In performing a Safety and Security Check, the Commission shall review:
  - a. the safety and security plan submitted with the application;
  - b. if required to be submitted in association with an application, the building plans and specifications of the proposed Band Cannabis Facility; and
  - c. the lighting plan submitted with the applicant's application.

- (3) In reviewing the plans submitted as part of the application, the Commission shall ensure to its satisfaction, before issuing a Band Cannabis Business License, that the proposed Band Cannabis Facility, and the planned Commercial Cannabis Activity to occur therein, meets or exceeds the relevant facility and operational standards of the Band Cannabis Facility.

#### **2.2.4.2 Safety and Security Check Reports**

- (1) Once a Safety and Security Check Report is complete, the Commission shall produce a Safety and Security Check Report.
- (2) A Safety and Security Check Report shall include:
  - a. the results of the Safety and Security Check;
  - b. the conclusions reached based on the results of the Safety and Security Check;
  - c. the justifications for such conclusions; and
  - d. any recommendations or requirements for obtaining a Band Cannabis Business License with which the applicant must comply prior to obtaining a Band Cannabis Business License.
- (3) The Safety and Security Check Report shall be made available to all Commissioners for use in making suitability determinations.

#### **2.2.5 Band Cannabis Business License Renewals**

- (1) Band Cannabis Business Licenses must be renewed every two years.
- (2) The Commission shall send to every Band Cannabis Business, no less than 60 and no more than 90 days prior to the expiration of their Band Cannabis Business License, a notice and application for renewal of such License on a form provided by the Commission for that purpose.
- (3) The form referenced in Subsection 2.2.5.1(2) shall be prepopulated with the Band Cannabis Business's name, Commission-issued identification number and the names of all Key Employees of the Band Cannabis Business and their respective License numbers. It shall include instructions for the Band Cannabis Business to submit any changes to the Licensee's status, state that failure to declare any such changes in status is a violation of Commission Regulations subject to fine, suspension or revocation, and provide instructions for payment of renewal application fees to the Commission.
- (4) Suitability determinations are not required for Band Cannabis Business License renewal applications but may be performed at the discretion of the Commission.

#### **2.2.6 Form, Delivery, and Display of Band Cannabis Business Licenses**

##### **2.2.6.1 Form of Band Cannabis Business Licenses**

Band Cannabis Business Licenses shall be in paper form, at least 8.5x11 inches in size and shall include on the face of the License the name of the Band Cannabis Business, the category or categories of cannabis business the applicant wishes to operate, the signature of the Commission Director, a unique License number and the expiration date of the License.

##### **2.2.6.2 Delivery of Band Cannabis Business Licenses**



The Commission shall mail to, or arrange for the pick-up of, Band Cannabis Business Licenses. Band Cannabis Business shall obtain their Band Cannabis Business Licenses in a digital format from the Commission. The Band Cannabis Business License will be emailed by the Commission to the provided contact information on the submitted license application.

### **2.2.6.3 Display of Band Cannabis Business Licenses**

All Band Cannabis Businesses must display their Band Cannabis Business License in a conspicuous location in a Public Access Area. If the Band Cannabis Business does not have a Public Access Area, the Band Cannabis Business License may be displayed in a conspicuous location in a Limited Access Area.

### **2.2.7 Responsibilities of Licensees**

- (1) In order to maintain its License, any Licensed entity must ensure that all of its employees obtain Employee Licenses from the Commission and:
  - a. Pass a background check showing that they have not been convicted of any felony or any lesser crime if that crime involved theft, fraud, or misappropriation or embezzlement of money, under any federal, state, or tribal jurisdiction;
  - b. Certify that they will comply with the Cannabis Regulatory Ordinance, any regulations and order issued by the CRC, and any license conditions of their employer; and
  - c. Comply with any other conditions that the Commission may impose.
- (2) If an employee or potential employee cannot pass the background check requirement described in 2.2.7.1, he or she may apply to the Commission for a waiver, which may be granted subject to Tribal Council approval, upon a showing that the employee or potential employee has taken responsibility for the past misconduct and is rehabilitated.

## **2.3 EMPLOYEE LICENSES**

### **2.3.1 Persons Required and Persons Eligible to Possess an Employee License**

#### **2.3.1.1 Persons Required to Possess an Employee License**

- (1) An individual is required to be in possession of a current and valid Employee License if he or she is an Employee of a Band Cannabis Facility.
- (2) An individual who is, or who works on behalf of, a Professional Business Service, and who regularly performs their job duties at or within a Band Cannabis Facility is required to be in possession of a current and valid Employee License.

#### **2.3.1.2 Persons Eligible to Possess an Employee License**

- (1) To be eligible for an Employee License, an applicant must:
  - a. submit an application for an Employee License;
  - b. be determined suitable to possess an Employee License by the Commission in accordance with Section 2.3.2; and
  - c. pay all required License application fees.

- (2) All employees with a valid Employee License must keep the Commission apprised of their current contact information and agree to receive Commission communications by email, including denials and revocations. If the name, address, or email address of an employee changes after an Employee License is issued, the employee shall notify the Commission within fourteen (14) days of the change.
- (3) All applications and renewals for an Employee License shall include at least the following information in a Commission-approved format:
  - a. Name, address, and Social Security number of the applicant;
  - b. A government-issued photo identification that confirms the age of the applicant is over twenty-one (21) years of age;
  - c. A copy of a written offer or confirmation of employment from a Band Cannabis Business licensed by the Commission.

### **2.3.2 Suitability Determinations for Employee License Applicants**

#### **2.3.2.1 Suitability Determination Criteria**

- (1) The Commission shall find an applicant suitable to hold an Employee License only if such Person demonstrates to the satisfaction of the Commission, in its sole discretion, all criteria under this Subsection 2.3.2.1.
- (2) Granting the applicant an Employee License must not be inimical to public health, safety or welfare or undermine the public trust that the Commercial Cannabis Activity within the Band's Territory is free from criminal and dishonest elements.
- (3) The applicant must be of good character, honesty and integrity, whose prior and current activities, criminal record, if any, and associations do not pose a threat to the public interest or to the effective regulation and control of Commercial Cannabis Activity, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, or activities in the conduct of Cannabis Activity, or in the carrying on of the business and financial arrangements incidental thereto.
- (4) The applicant must not be determined unsuitable pursuant to the criteria established under Subsection 2.10.2.
- (5) The applicant must submit a complete application.
- (6) The Commission may require the submission of any additional documents, materials or information, and may conduct interviews of any Persons associated with the applicant, it deems reasonably necessary to make a suitability determination.

#### **2.3.2.2 Suitability Determination Procedure**

- (1) The Commission shall first review an application for completeness.
- (2) Incomplete applications shall be rejected, and the Commission shall provide the applicant with notice and a reasonable opportunity to remedy any deficiencies.
- (3) Upon receiving a complete application, the Commission Chair shall prepare, or facilitate the preparation of, a Background Check Report on the applicant.
- (4) The Director shall review the application and Background Check Report, and such documents shall be the basis for the Director to recommend whether that the applicant is suitable for an Employee License.

- (5) The Director shall submit his or her recommendation to grant or deny the application to the Commission for approval per the requirements of the Ordinance. The License shall be effective on the date of approval by the Commission.
- (6) If the Commission determines that the applicant is suitable for an Employee License, it shall submit this determination to the Tribal Council. The Tribal Council may approve or disapprove of the License issuance. If the Tribal Council does not act on the determination within 60 days, it shall be deemed denied.
- (7) If the Tribal Council approves of the issuance of a License after the Commission has determined that the applicant is suitable, the Commission shall inform the applicant by letter, with instructions for how to obtain an employee badge, which shall serve as the Employee's License. The License shall be effective on the date of approval by the Tribal Council unless the Commission's determination submitted to the Tribal Council recommended a later effective date.
- (8) If the Commission determines that the applicant is not suitable for an Employee License, the Commission shall inform the applicant by letter. If the reasons for ineligibility are of a nature that are reasonably capable of cure, the Commission may, at its discretion, identify the reasons giving rise to its determination of unsuitability and, if the applicant so desires, it may resubmit its application for reconsideration.
- (9) If an applicant is deemed unsuitable by the Commission with no further opportunity to cure, or an application is deemed incomplete and the applicant either is unable or unwilling to supply a complete application, the Commission shall return all paid application fees to the applicant, minus a \$25 review fee.

### **2.3.3 Background Checks for Employee License Applicants**

#### **2.3.3.1 Conduct of Background Checks**

- (1) The Commission shall conduct a Background Check on the applicant using the criteria of this Subsection 2.3.3.1.
- (2) In conducting a Background Check, the Commission shall conduct the following screenings:
  - a. A county criminal search of no less than seven years.
  - b. A federal criminal search of no less than the past seven years.
  - c. A Bois Forte Tribal Court criminal search and searches of any tribal criminal records available to the Commission.
  - d. A state criminal search of no less than the past seven years.
- (3) The Commission may:
  - a. verify, question and interview any Person listed as a reference by the applicant in its application;
  - b. conduct a financial and credit check; and
  - c. conduct any other investigation deemed necessary or appropriate by the Commission.

#### **2.3.3.2 Background Check Reports**

- (1) Once a Background Check is complete, the Commission shall produce a Background Check Report.
- (2) A Background Check Report shall include:

- a. the results of the Background Check;
  - b. a statement about whether the applicant has been convicted of any felony or any lesser crime if that crime involved theft, fraud, or misappropriation or embezzlement of money, under any federal, state, or tribal jurisdiction;
  - c. the conclusions reached based on the results of the Background Check; and
  - d. the justifications for such conclusions.
- (3) The Background Check Report shall be made available to all Commissioners for use in making suitability determinations.

## **2.3.4 Employee License Renewals**

### **2.3.4.1 Renewal Process**

- (1) Employee Licenses must be renewed every two years.
- (2) The Commission shall send to every Employee, no less than 30 days and no more than 60 days prior to the expiration of their Employee License, a notice and application for renewal of such License on a form provided by the Commission for that purpose.
- (3) The form referenced in Subsection 2.3.4.1(2) shall be prepopulated with the Employee's name and Commission-issued identification number. It shall include instructions for the Employee to submit any changes to the Licensee's status, state that failure to declare any such changes in status is a violation of Commission Regulations subject to fine, suspension or revocation, and provide instructions for payment of renewal application fees to the Commission.
- (4) Suitability determinations are not required for Employee License renewal applications but may be performed at the discretion of the Commission.

## **2.3.5 Form, Delivery, and Display of Employee Licenses**

### **2.3.5.1 Form of Employee Licenses**

- (1) Employee Licenses shall be in the form of a badge provided by the Commission.
- (2) Employee badges shall have the capacity to be displayed prominently and securely on the person of the Employee and shall include on the face of the badge:
  - a. the Licensee's name;
  - b. the Licensee's Commission-issued badge number;
  - c. the expiration date of the License; and
  - d. the Licensee's date of birth.

### **2.3.5.2 Delivery of Employee Licenses**

Employees shall obtain their Employee Licenses in a digital format from the Commission. The Employee License will be in the form of an identification badge that will be emailed by the Commission to the Employee's provided contact information on the submitted application. The identification badge may also be uploaded to the application portal if such portal is provided by the Commission.

### **2.3.5.3 Display of Employee Licenses**

Employees must wear their identification badges in plain view and above the waist at all times in a Band Cannabis Facility. Employees must also have a government-issued photo ID or Tribal ID on their person at all times while the identification badge is visible.

## **2.4 FOREIGN CANNABIS BUSINESS LICENSES: VENDOR LICENSES, COMMERCIAL PURCHASER LICENSES, AND TRANSPORT LICENSES**

### **2.4.1 Applicability**

This Section 2.5 applies to Foreign Cannabis Businesses that are not subject to the reciprocity rules of Subsection 2.9.

### **2.4.2 Persons Required and Persons Eligible to Possess a Foreign Cannabis Business License**

#### **2.4.2.1 Persons Required to Possess a Foreign Cannabis Business License**

- (1) There are three available types of Foreign Cannabis Business Licenses: Vendor Licenses, Commercial Purchaser Licenses and Transport Licenses.
- (2) Every Foreign Cannabis Business seeking to Sell Commercial Cannabis to a Band Cannabis Business must hold a Vendor License.
- (3) Every Foreign Cannabis Business purchasing Commercial Cannabis from a Band Cannabis Business must hold a Commercial Purchaser License.

#### **2.4.2.2 Persons Eligible to Possess a Foreign Cannabis Business License**

- (1) To be eligible for a Foreign Cannabis Business License, an applicant must:
  - a. be a Cannabis Business that is located outside of the Band's Territory;
  - b. submit an application for a Foreign Cannabis Business License;
  - c. be determined suitable to possess a Foreign Cannabis Business License by the Commission in accordance with Section 2.5; and
  - d. pay all required License application fees.

### **2.4.3 Suitability Determinations for Foreign Cannabis Business License Applicants**

#### **2.4.3.1 Suitability Determination Criteria**

- (1) The Commission shall find an applicant suitable to hold a Foreign Cannabis Business License only if such Person demonstrates to the satisfaction of the Commission, in its sole discretion, all criteria under this Subsection 2.5.3.1.
- (2) Granting the applicant a Foreign Cannabis Business License must not be inimical to public health, safety or welfare or undermine the public trust that the Commercial Cannabis Activity within the Band's Territory is free from criminal and dishonest elements.
- (3) If the applicant is an individual, he or she must be of good character, honesty and integrity, whose prior and current activities, criminal record, if any, and associations do not pose a threat to the public interest or to the effective regulation and control of Commercial Cannabis Activity, or create or enhance the dangers of unsuitable, unfair or

illegal practices, methods, or activities in the conduct of Commercial Cannabis Activity, or in the carrying on of the business and s incidental thereto.

- (4) If the applicant is a Business Entity, it must not have a business record which poses a threat to the public interest or to the effective regulation and control of Commercial Cannabis Activity, or create or enhance the dangers of unsuitable, unfair or illegal practices, methods, or activities in the conduct of Commercial Cannabis Activity, or in the carrying on of the business and financial arrangements incidental thereto.
- (5) The applicant must not be determined unsuitable pursuant to the criteria established under Subsection 2.10.2.
- (6) The applicant must pass a Background Check.
- (7) If the applicant is seeking a Transport License, all persons listed on the application as individuals eligible to perform the physical transportation of Commercial Cannabis on behalf of the Foreign Cannabis Business must also pass a Background Check.
- (8) The Commission may perform any additional Background Checks on any other Persons within the applicant's business organization it deems reasonably necessary to make a suitability determination.
- (9) The Commission may require the submission of any additional documents, materials or information, and may conduct interviews of any Persons associated with the applicant, it deems reasonably necessary to make a suitability determination.

#### **2.4.3.2 Suitability Determination Procedure**

- (1) The Commission shall first review the application for completeness, including payment of all required License application fees.
- (2) Incomplete applications shall be rejected, and the Commission shall provide the applicant with notice and a reasonable opportunity to remedy any deficiencies.
- (3) Upon receiving a complete application, the Commission Chair shall prepare or facilitate the preparation of a Background Check Report on the applicant, as well as any persons identified in the application for review by the Commission.
- (4) The Director shall review the application and Background Check Report(s), and such documents shall be the basis for the Director to determine whether to recommend that the applicant is suitable for a Foreign Cannabis Business License.
- (5) The Director shall submit his or her recommendation to grant or deny the application to the Commission for approval.
- (6) The Commission shall consider the Director's recommendation and may approve it per the requirements of the Ordinance. The Commission may also approve the recommendation subject to modifications or conditions.
- (7) If the Commission determines that an applicant is suitable for a License, it shall submit this determination to the Secretary-Treasurer of the Tribal Council. The Tribal Council may approve or disapprove of the License issuance. If the Tribal Council does not act on the determination within 60 days, it shall be deemed denied.
- (8) If the Tribal Council approves of the issuance of a License after the Commission has determined that the applicant is suitable, the Commission shall inform the applicant by letter, with a copy of its approved Foreign Cannabis Business License enclosed. The License shall be effective on the date of approval by the Tribal Council unless the Commission's determination submitted to the Tribal Council recommended a later effective date.

- (9) If the Commission determines that the applicant is not suitable for a Foreign Cannabis Business License, the Commission shall inform the applicant by letter. If the reasons for ineligibility are of a nature that are reasonably capable of cure, the Commission may, at its discretion, identify the reasons giving rise to its determination of unsuitability and, if the applicant so desires, it may resubmit its application for reconsideration.
- (10) If an applicant is deemed unsuitable by the Commission with no further opportunity to cure, or an application is deemed incomplete and the applicant either is unable or unwilling to supply a complete application, the Commission shall return all paid application fees to the applicant, minus a \$250 review fee.

## **2.4.4 Background Checks for Foreign Cannabis Business License Applicants**

### **2.4.4.1 Conduct of Background Checks**

- (1) The Commission shall conduct a Background Check on the applicant using the criteria of this Subsection 2.5.4.1.
- (2) For individuals, the Commission shall conduct the following screenings:
  - a. A county criminal search of no less than seven years.
  - b. A federal criminal search of no less than the past seven years.
  - c. A national criminal search, including searches of any tribal criminal records available to the Commission.
  - d. A state criminal search of no less than the past seven years.
- (3) For Business Entities, the Commission shall conduct the following screenings:
  - a. A county civil defendant search of no less than seven years.
  - b. A UCC search for the state in which the applicant is located.
  - c. A county, state and federal tax liens/ judgments search for the county and state in which the applicant is located.
  - d. A bankruptcy search.
- (4) For individuals and Business Entities, the Commission may:
  - a. verify, question and interview any Person listed as a reference by the applicant in its application;
  - b. conduct a financial and credit check; and
  - c. conduct any other investigation deemed necessary or appropriate by the Commission.

### **2.4.4.2 Background Check Reports**

- (1) Once a Background Check is complete, the Commission shall produce a Background Check Report.
- (2) A Background Check Report shall include:
  - a. the results of the Background Check;
  - b. the conclusions reached based on the results of the Background Check; and
  - c. the justifications for such conclusions.
- (3) The Background Check Report shall be made available to all Commissioners for use in making suitability determinations.

## **2.4.5 Foreign Cannabis Business License Renewals**

### **2.4.5.1 Renewal Process**

- (1) Foreign Cannabis Business Licenses must be renewed every two years.
- (2) The Commission shall send to every Foreign Cannabis Business, no less than 30 and no more than 60 days prior to the expiration of their Foreign Cannabis Business License, a notice and application for renewal of such License on a form provided by the Commission for that purpose.
- (3) The form referenced in Subsection 2.5.1(2) shall be prepopulated with the Foreign Cannabis Business's name and Commission-issued identification number. It shall include instructions for the Foreign Cannabis Business to submit any changes to the Licensee's status, state that failure to declare any such changes in status is a violation of Commission Regulations subject to fine, suspension or revocation, and provide instructions for payment of renewal application fees to the Commission.
- (4) Suitability determinations are not required for Foreign Cannabis Business License renewal applications but may be performed at the discretion of the Commission.

#### **2.4.6 Form, Delivery, and Display of Foreign Cannabis Business Licenses**

##### **2.4.6.1 Form of Foreign Cannabis Business Licenses**

- (1) Foreign Cannabis Business Licenses shall be in paper form, at least 8.5x11 inches in size and shall include on the face of the License the name of the Foreign Cannabis Business, the signature of the Commission Chair, a unique License number and the expiration date of the License.
- (2) A Transport License for a Foreign Cannabis Business shall additionally list all individuals authorized to perform the physical Transport of Commercial Cannabis on behalf of the Foreign Cannabis Business.

##### **2.4.6.2 Delivery of Foreign Cannabis Business Licenses**

The Commission shall mail to, or arrange for the pick-up of, Foreign Cannabis Business Licenses. Foreign Cannabis Businesses shall obtain their Foreign Cannabis Business Licenses in a digital format from the Commission. The License will be emailed by the Commission to the provided contact information on the submitted application.

#### **2.5 TRANSPORT ENDORSEMENTS**

##### **2.5.1 Persons Required and Persons Eligible to Possess a Transport Endorsement**

###### **2.5.1.1 Persons Required to Possess a Transport Endorsement**

- (1) Every Band Cannabis Business or Foreign Cannabis Business that transports Commercial Cannabis from inside the Band's Territory to a destination located outside the Band's Territory, to a location inside the Band's Territory from an origin located outside the Band's Territory, or to and from locations within the Band's Territory, must be in possession of a Transport Endorsement.

###### **2.5.1.2 Persons Eligible to Possess a Transport Endorsement**

To be eligible for a Transport Endorsement, an applicant must be a Band Cannabis Business or a Foreign Cannabis Business.

###### **2.5.1.3 Obtaining a Transport Endorsement**



- (1) An eligible Person must submit for a Transport Endorsement in its application for a License.
- (2) If already in possession of a License, an eligible Person must submit an application for a Transport Endorsement.
- (3) All Persons, in order to obtain a Transport Endorsement, must be determined suitable to possess a Transport Endorsement by the Commission in accordance with Section 2.6.2.
- (4) All Persons, in order to obtain a Transport Endorsement, must pay all required License application fees.

## **2.5.2 Suitability Determinations for Transport**

### **2.5.2.1 Suitability for Transport Endorsement**

- (1) If the applicant is requesting a transportation endorsement, whether in conjunction with an application for a Band Cannabis Business License or a Foreign Cannabis Business License or separately after securing a License, the Commission shall grant the applicant a Transport Endorsement if the applicant is deemed suitable for the License and satisfies the following criteria through an application to the Commission:
  - a. the applicant demonstrates to the satisfaction of the Commission that the applicant will comply with applicable transportation requirements outlined in Chapter 10 of the Ordinance;
  - b. the applicant provides a current and accurate list of all Employees of the applicant who will be responsible for physically transporting cannabis product;
  - c. the applicant provides current and valid state-issued driver's license for each Employee of the applicant who will be responsible for physically transporting cannabis product; and
  - d. the applicant provides a motor vehicle report obtained in association with the Background Check for each Employee of the applicant who will be responsible for physically transporting cannabis product that evidences that each Employee can safely and securely Transport Commercial Cannabis.

### **2.5.3 Transport Endorsements Do Not Require Renewal**

A Transport Endorsement shall automatically renew with the renewal of the License to which it is attached, provided however that the Commission shall reserve the right to terminate a Transport Endorsement based on good cause, without revoking or non-renewing the License to which it is associated.

## **2.5.4 Form and Delivery of Transport Endorsements**

### **2.5.4.1 Form of Transport Endorsements**

- (1) A Cannabis Business with a Transport Endorsement shall be indicated as such on the face of the License.
- (2) The full names of all individuals with a Transport Endorsement who are authorized to perform the physical Transport of Commercial Cannabis on behalf of the Cannabis Business shall be listed on the face of the Cannabis Business's License.

### **2.5.4.2 Delivery of Band Cannabis Business Licenses and Foreign Cannabis Business Licenses with Transport Endorsements**

The Commission shall mail to, or arrange for the pick-up of, a Cannabis Business License whenever Transport Endorsements associated with such License are added, terminated, or otherwise modified. Band Cannabis Businesses shall obtain their Licenses in a digital format from the Commission. The License will be emailed by the Commission to the provided contact information on the submitted application.

## **2.6 CANNABIS EVENT LICENSES**

### **2.6.1 Persons Required and Person Eligible to Possess a Transport Endorsement**

#### **2.6.1.1 Persons Required to Possess a Cannabis Event License**

Any Band Cannabis Business that seeks to host a Cannabis Event must obtain a Cannabis Event License.

#### **2.6.1.2 Persons Eligible to Possess a Cannabis Event License**

Only Band Cannabis Business are eligible to possess a Cannabis Event License.

### **2.6.2 Applying for a Cannabis Event License**

- (1) A Band Cannabis Business may apply for a Cannabis Event License by submitting an application.
- (2) A Band Cannabis Business must submit an application for a Cannabis Event License to the Commission no less than 21 days prior to the proposed Cannabis Event.
- (3) The Commission may, at its discretion, accept applications submitted less than 21 days prior to the Cannabis Event.

## **2.7 LICENSING RECIPROCITY FOR TRIBAL AND STATE LICENSES**

### **2.7.1 Grants of Reciprocity to State Licensing Agencies**

- (1) A person holding, or operating under, a valid cannabis business license issued by an Indian tribe within the State of Minnesota may, without obtaining any additional Foreign Cannabis Business License from the Band, engage in cannabis commerce with a business licensed under the Ordinance and these regulations to the extent permitted under the issuing Band's license conditions, provided that the Commission determines that the standards for issuance of the license by the Indian tribe within the State of Minnesota meets or exceeds the standards required under the Ordinance and these regulations. A person holding, or operating under, a valid cannabis business license issued by the State of Minnesota, without obtaining any additional license from the Band, may engage in cannabis commerce with a business licensed under the Ordinance and these regulations to the extent permitted under a compact that is in effect between the Band and State, provided that the Commission determines that the standards for issuance of the license by State of Minnesota meets or exceeds the standards required under the Ordinance and these regulations.

### **2.7.2 Conditions and Effect of Reciprocity**

- (1) A Person holding, or operating under, a valid cannabis business license issued by a cannabis licensing agency of another Indian tribe located within the State of Minnesota or a Minnesota State government cannabis licensing agency pursuant to the terms of any compact that is in effect between the Band and State of Minnesota must submit a copy of the License to the Commission and, upon request of the Commission, provide information to the Commission regarding the standards and requirements for issuance of the license.
- (2) The Commission shall maintain a record of all Licenses so submitted.
- (3) The Commission may not allow any Person to operate in excess of the permissions granted by the License issued by the cannabis licensing agency of another Indian tribe located within the State of Minnesota or Minnesota State government cannabis licensing agency, as applicable.

## **2.8 LICENSE INELIGIBILITY; DEFAULT UNSUITABILITY**

- (1) An applicant shall be deemed unsuitable and its application for a License shall be denied if the applicant, an Owner of the applicant, or any Employee of the applicant:
  - a. has knowingly made a false statement of a material fact or purposefully omitted a material fact in a License application;
  - b. has been convicted of any felony or any lesser crime if that crime involved theft, fraud, or misappropriation or embezzlement of money, under any federal, state, or tribal jurisdiction, or a plea of guilty or conviction following a plea of nolo contendere to such an offense, and is not eligible for a Forgiveness Waiver;
  - c. has an outstanding arrest warrant or a felony criminal matter that has not been adjudicated;
  - d. is either openly associated with, or reasonably suspected to be associated with, any Illicit Organization;
  - e. is under twenty-one years of age;
  - f. is not eligible to work in the United States;
  - g. owes any fees to the Commission;
  - h. owes any taxes or other debt to the Tribe; or
  - i. has a bad reputation, habits, or associations with known criminals within the last five years, including but not limited to excessive arrests, unpaid tax liabilities, continual negative contact with law enforcement and/or child protection officials, not necessarily resulting in a criminal conviction.
- (2) An applicant shall be deemed unsuitable for a License if the Commission determines in the course of its suitability determination that the applicant, if privileged with a License, would pose a threat to the public interest or the effective regulation of Commercial Cannabis.

## **2.9 FORGIVENESS POLICY**

### **2.9.1 Purpose**

The purpose of this CRC 2.11 is to allow the Commission the ability to waive certain disqualifications for applicants seeking a License, based on good cause, and in recognition of the

national trend toward felony forgiveness, particularly with regard to Cannabis-related felonies, as a form of social equity.

## **2.9.2 Forgiveness Criteria**

### **2.9.2.1 Threshold Criteria for Allowing the Commission to Grant a Forgiveness Waiver to a Person Convicted of a Disqualifying Offense**

- (1) The Commission may grant a Forgiveness Waiver to a Person who has committed a Disqualifying Offense that would otherwise make the Person ineligible for a License if the Person can prove, to the reasonable satisfaction of the Commission:
  - a. That the Person satisfies all other eligibility criteria for a License in the Ordinance and these Regulations, and the only reason the Commission would deny the Person an opportunity to possess a License is because of a Disqualifying Offense.
  - b. The number of Felony and other offenses for which the Applicant was convicted do not demonstrate a propensity or pattern of engaging in unlawful behavior.
  - c. The amount of time that has passed since the offense or completion of the sentence, including the age of the Person at the time the offense was committed, is sufficient to demonstrate rehabilitation, and that it is unlikely the Person will commit another offense while in possession of a License.
  - d. All circumstances relative to the Disqualifying Offense, including mitigating circumstances or social conditions surrounding the commission of the crime, suggests that the offense was not representative of the Person's character.
  - e. The Person has provided sufficient evidence to the Commission to demonstrate the Person is fit to comply with applicable law and discharge the responsibilities and privileges of holding a License without posing a risk to the health and safety of the public or the integrity of Commercial Cannabis Activities occurring within the Band's territory. Evidence of suitability may include:
    - i. personal and professional references;
    - ii. demonstrated patterns of good behavior;
    - iii. community service;
    - iv. self-reflection activities;
    - v. honorable discharge from the armed forces;
    - vi. a release order from a local, state, or federal jurisdiction;
    - vii. evidence showing that since release from incarceration there have been no subsequent convictions;
    - viii. compliance with all terms of probation or parole;
    - ix. record of discharge showing completion of probation or parole;
    - x. post-conviction employment history; and
    - xi. post-conviction education and/or training.

### **2.9.2.2 Automatic Forgiveness Waiver**

- (1) The Commission shall automatically grant a Forgiveness Waiver if the Person satisfies the criteria under Subsection 2.11.2.1, the Disqualifying Offense is not among those listed under Subsection 2.11.2.3(2), and:
  - a. The Disqualifying Offense was a non-violent offense related to Cannabis in a jurisdiction where the predicate actions of the Disqualifying Offense were illegal

at the time, but would not be illegal in that jurisdiction if the Person took the same or similar actions today; or

- b. The Person committed the Disqualifying Offense more than 10 years prior to the date on which the Person applies for a License.

### **2.9.2.3 Prohibitions on Forgiveness**

- (1) The Commission shall automatically deny a Forgiveness Waiver if the Disqualifying Offense occurred less than five years prior to the date on which the Person applies for a License, and:
  - a. the Disqualifying Offense involved Felony violence; or
  - b. the Disqualifying Offense involved a Felony crime committed against an individual.
- (2) The Commission shall automatically deny a Forgiveness Waiver if:
  - a. the Disqualifying Offense involved selling illicit substances to minors;
  - b. the Disqualifying Offense involved sexual assault, molestation, exploitation; or offenses committed against children;
  - c. The Disqualifying Offense was a financial crime involving deceit or embezzlement.
  - d. the Disqualifying Offense involved gang or cartel activity; or
  - e. the type and nature of the Disqualifying Offense would suggest that granting the Person a License would pose a risk to the health and safety of the public or the integrity of Commercial Cannabis Activities occurring within the Band's Territory.

### **2.9.3 Commission Procedure for Granting a Forgiveness Waiver**

#### **2.9.3.1 Commission Procedure for Granting a Forgiveness Waiver**

- (1) If the Commission discovers, or is informed of a Disqualifying Offense during review of a Person's Application, it shall:
  - a. Direct the Person to this CRC 2.11 and the criteria set forth herein.
  - b. Advise the Person that cooperation with this Section 2.11 is a condition of being considered for a License.
  - c. Advise the Person that records and other documentation of the Disqualifying Offense and rehabilitation and other mitigating factors must be provided to the Commission within two (2) weeks of request by the Commission, and that extensions of that time are available upon request for Persons actively seeking to gather the records and documents who require additional time.
  - d. Advise the Person that the Commission is available to answer any questions about what additional records and documentation the Person may need to provide.
  - e. Advise the Person that they may be asked to meet with the Commission to discuss the Person's criminal history and the documentation proving rehabilitation and other mitigating factors as described herein.
  - f. Advise the Person that the Commission will consider the criteria herein, and the records and other documentation they provide, to determine whether granting the Person a License would be appropriate.

## **2.10 MISCELLANEOUS LICENSING MATTERS**

## **2.10.1 Temporary Licenses and Endorsements**

### **2.10.1.1 Issuance and Conditions of Temporary Licenses and Endorsement Generally**

- (1) Temporary Licenses and endorsements, not to exceed 60 days, may be issued during the pendency of Background Checks for good cause at the discretion of the Commission.

### **2.10.1.2 Special Conditions Regarding Temporary Band Cannabis Business Licenses**

- (1) The Commission may, at its discretion and based on an initial determination of suitability, issue a temporary Band Cannabis Business License to an applicant for the purpose of authorizing the applicant to engage in pre-Sales activities, provided that an annual permit shall be required prior to the Band Cannabis Facility opening to the general public or Selling Commercial Cannabis to a third-party.
- (2) The Commission may issue a temporary Cultivation License for limited Cannabis Plant nursery operations, for the growing of Immature Cannabis Plants, to an applicant intending to operate a Cultivation Facility for mature Cannabis Plants in the future. Such licenses shall not exceed 60 days and shall prohibit the holder of such a license to Cultivate, or otherwise possess on the property, any mature Cannabis Plants until such time as an annual Cultivation License is obtained.
- (3) The applicant must pass a Safety and Security Check prior to being granted a temporary Band Cannabis Business License.
- (4) The applicant must pass a Pre-Opening Inspection prior to engaging in Cultivation, Extraction or Manufacturing activities.

## **2.10.2 Conditional Licenses**

The Commission may, at its discretion and based on the totality of the circumstances, issue a conditional License, not to exceed 120 days, to a Person that the Commission has determined violated the Cannabis Regulatory Ordinance or these Regulations, but desires to allow the Licensee to continue to engage in Commercial Cannabis Activity under certain conditions to ensure compliance.

### **2.10.3 Licensee Continuing Duties**

- (1) Licensees have a continuing duty to disclose information required by the Commission and to fully cooperate in any investigation conducted by or on behalf of the Commission.
- (2) If any information provided by a Licensee to the Commission at any time changes or becomes inaccurate or outdated in any way (including but not limited to information provided during the original Background Check, renewal, or subsequent investigation) so that updates become necessary, the Licensee shall promptly provide written notification to the Commission.

### **2.10.4 Prior Obtained Background Checks**

- (1) Background Check Reports shall be valid for 90 days.
- (2) The Commission may use all relevant materials from such Background Check Reports in making additional suitability determinations.

**TABLE OF CONTENTS**

**3.1 PURPOSE, DEFINITIONS ..... 1**

    3.1.1 Purpose of this Chapter ..... 1

    3.1.2 Definitions ..... 1

**3.2 LABORATORY TESTING; POTENCY AND QUALITY CONTROL TESTING ..... 2**

    3.2.1 Periodic Review of Laboratory Testing Sites ..... 2

    3.2.2 Quality Control Standards ..... 3

    3.2.3 Laboratory Requirements ..... 3

    3.2.4 Licensee Responsible for Compliance ..... 3

    3.2.5 Standard Operating Procedures for Cannabis Testing ..... 4

    3.2.6 Representative Sample Sizes for Cannabis Tests ..... 5

    3.2.7 Testing Procedures and Pass Limits ..... 6

**3.3 TEST RESULTS ..... 11**

    3.3.1 COA Requirements ..... 11

    3.3.2 Failed Tests ..... 11

    3.3.3 Retests ..... 12

    3.3.4 Storage, Disposal and Return of Quarantined, Non-Conforming Cannabis Product ..... 12

**3.4 PACKAGING AND LABELING FOR INDUSTRIAL SALE ..... 12**

    3.4.1 Requirements for the Packaging and Labeling of Cannabis Product for Industrial Sale ..... 12

    3.4.2 Documents Required to Keep ..... 12

**3.5 PACKAGING AND LABELING FOR BULK SALE ..... 12**

    3.5.1 Requirements for the Packaging and Labeling of Cannabis Product for Bulk Sale Generally ..... 12

    3.5.2 Requirements for the Packaging and Labeling of Cannabis Product for Bulk Sale Within the Band’s Territory ..... 12

**3.6 PACKING AND LABELING FOR RESALE ..... 13**

    3.6.1 Requirements of the Packaging and Labeling of Cannabis Product for Resale ..... 13

**3.7 PACKING AND LABELING FOR RETAIL ..... 13**

    3.7.1 Packaging Requirements for Adult Use Cannabis Product Available for Retail Sale ..... 13

3.7.2 Packaging Prohibitions for Adult Use Cannabis Product Available for Retail Sale .....13

3.7.3 Additional Requirements for Child-Resistant Packaging .....13

3.7.4 Labeling Requirements for Adult Use Cannabis Product Available for Retail Sale .....14

3.7.5 Labeling Prohibitions for Adult Use Cannabis Product Available for Retail Sale .....14

3.7.6 Additional Required Information .....14



## CHAPTER 3

### QUALITY CONTROL & TESTING

#### 3.1 PURPOSE, DEFINITIONS

##### 3.1.1 Purpose of this Chapter

The purpose of this Chapter is to establish certain quality control and laboratory testing requirements for Cannabis Products sold within the Band's Territory and the minimum standards for the packaging and labeling of Commercial Cannabis sold on, to, and from the Band's Territory.

##### 3.1.2 Definitions

All capitalized terms used in this Chapter shall have the meanings given to those terms in the Bois Forte Cannabis Regulatory Ordinance, also referred to from time to time as the "Ordinance."

In addition, the following terms used throughout this Chapter shall have the following meanings:

- (1) "Artificially Derived Cannabinoid" means a Cannabinoid extracted from Hemp or a Cannabis Derivative 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, including but not limited to any tetrahydrocannabinol created from cannabidiol.
- (2) "Cannabis Product" includes Adult Use Cannabis Products, Adult Use Cannabis Flower, Adult Use Cannabis Edibles, and Adult Use Cannabis Concentrate, as defined in Section 1.2 of the Ordinance.
- (3) "Cannabis Waste" means any discarded material that contains cannabis, and any Cannabis Product that is perished, returned, tampered with, non-conforming, or abandoned.
- (4) "CBD" refers to the chemical compound Cannabidiol.
- (5) "Certificate of Analysis" or "COA" means the test results for each Batch tested by an Independent Third-Party Laboratory certifying that it complies with the testing standards established in Section 3.2.
- (6) "Child-Resistant" means: (a) any Package that has been certified as child-resistant under the requirements of the Poison Prevention Packaging Act of 1970 Regulations (16 C.F.R. § 1700.15(b)(1)) (Rev. July 1995); (b) a bottle sealed with a pry-off, push and turn, metal crown, or cork-style bottle cap, provided that the bottle contains only a single serving; or (c) plastic Packaging that is at least four mils thick and heat-sealed without an easy-open tab, dimple, corner, or flap.
- (7) "Final Form" refers to Cannabis Product that is packaged and labeled as it will be sold at retail to a consumer.

- (8) “Independent Third-Party Laboratory” means a third-party scientific laboratory certified by the International Organization for Standardization IEC 17025 standards, or any successor or replacement thereof, and which is capable of conducting potency and quality assurance testing on Cannabis Product or Marijuana in accordance with the requirements of these Regulations and the Ordinance.
- (9) “Industrial Sale” means the sale of Cannabis Product not in Final Form, none of which may be sold without further processing or manufacturing.
- (10) “Jurisdiction of Destination” means the jurisdiction of the commercial purchaser of the Cannabis Product packaged and labeled for sale under Section 3.4-3.6.
- (11) “Package” or “Packaging” means any box, wrapping, bag, or other container.
- (12) “Pre-Roll” means any combination of the following rolled in paper, Cannabis Flower, shake, leaf, or kief that is obtained from accumulation in containers or sifted from loose Cannabis Flower or leaf with a mesh screen or sieve.
- (13) “Required Cannabinoid Content Labeling: means: (a) for Adult Use Cannabis Edibles and Adult Use Cannabis Concentrate for which the manufacturer has established serving designations, THC and CBD content expressed in milligrams per serving and milligrams per Package; (b) for topical Adult Use Cannabis Products and Adult Use Cannabis Concentrates without serving designations, THC and CBD content expressed in milligrams per Package; (c) for Adult Use Cannabis Flower (including non-infused Pre-Rolls), total THC content expressed as a percentage; and (d) for infused Pre-Rolls, the Cannabinoid content in milligrams or the Cannabinoid content of the dried Adult Use Cannabis Flower expressed as a percentage and the added Cannabinoid content in milligrams.
- (14) “Source of Origin” means the foreign cannabis business licensee or Band cannabis business licensee from where the Adult Use Cannabis Product was delivered to the retail licensee. If the retail licensee and Band cannabis business licensee are the same person, then the Source of Origin is the retail licensee.
- (15) “Standard Operating Procedures” or “SOP” means a set of written instructions that describes the step-by-step process that licensees must take to properly perform a routine activity at a Community Cannabis Facility to ensure safety, efficiency, and compliance with the Ordinance and these Regulations.
- (16) “Tamper-Evident” means that the Packaging is sealed so that the contents cannot be accessed without obvious destruction of the seal upon initial opening.
- (17) “THC” refers to the chemical compound tetrahydrocannabinol.

## **3.2 LABORATORY TESTING; POTENCY AND QUALITY CONTROL TESTING**

### **3.2.1 Periodic Review of Laboratory Testing Standards**

The Commission acknowledges that Cannabis testing methods and standards are dynamic and will continue to improve with technological advancement and consumer response in the local market. The Commission shall review the testing standards set forth herein at least once per year to determine if revisions are warranted to reflect industry improvement and protect consumer safety.

### **3.2.2 Quality Control Standards**

All Adult Use Cannabis Products, Cannabis Flower, Cannabis Edible's, and Cannabis Concentrate that are purchased or sold by a Band licensed cannabis business must be tested by an Independent Third-Party Laboratory for potency and quality in accordance with this section prior to such purchase or sale.

### **3.2.3 Laboratory Requirements**

- (1) The Commission shall maintain and provide to any licensee, upon request, a list of Independent Third-Party Laboratories approved for testing Commercial Cannabis pursuant to the Ordinance and these Regulations.
- (2) Any Independent Third-Party Laboratory that is licensed by the Minnesota Department of Health to test either medical or recreational Cannabis shall be deemed to be automatically approved as an Independent Third-Party Laboratory.
- (3) The Commission shall only approve Independent Third-Party Laboratory's that adhere to the following minimum standards:
  - a. The Independent Third-Party Laboratory shall maintain accreditation by the International Organization for Standardization IEC 17025 standards, maintain standard operating procedures, and shall be capable of producing validations reports for testing the following:
    - i. Cannabinoid concentrations;
    - ii. Foreign material, insects, and larvae;
    - iii. Microbial impurities;
    - iv. Mycotoxins;
    - v. Heavy metals;
    - vi. Residual pesticides;
    - vii. Moisture content and water activity; and
    - viii. Residual solvents.
  - b. The Independent Third-Party Laboratory must maintain standard operating procedures for sampling of Cannabis Product.
  - c. The Independent Third-Party Laboratory must have a chain of custody policy to ensure accurate and honest testing.
  - d. The Independent Third-Party Laboratory must be capable of producing COA's that clearly show the results of each test required under Subsection 3.2.7 in accordance with the COA requirements of Subsection 3.3.1.

### **3.2.4 Licensee Responsible for Compliance**

- (1) Licensees shall be responsible for ensuring compliance with the laboratory testing standards of this Section 3.2 commensurate with the Commercial Cannabis Activity permitted by the respective licensee(s).
- (2) For licensees purchasing Adult Use Cannabis Products in their Final Form, the licensee shall review the COA provided as part of the required delivery documentation and shall only accept the Commercial Cannabis if the COA clearly

demonstrates that it has passed all tests required under Section 5 of the Ordinance and Section 3.2 of these Regulations.

- (3) For licensees purchasing Adult Use Cannabis Products in substantially Final Form, the licensee shall review the COA provided as part of the required delivery documentation and shall only accept the Cannabis Product if the COA clearly demonstrates that it has passed all tests required under Section 5 of the Ordinance and Section 3.2 of these Regulations.
  - a. If any additional ingredients are added to or combined with the Cannabis Product purchased in substantially Final Form prior to Resale, the licensee shall collect samples of each batch and send them to an Independent Testing Laboratory in accordance with this Section.
  - b. For example, if Cannabis Flower is acquired as bulk sale for manufacturing into Pre-Rolls, the Pre-Rolls do not require additional testing. On the other hand, if Cannabis Concentrate is acquired as bulk sale for manufacturing into gummies, the gummies would require additional testing.
- (4) For licensee's that cultivate, process, extract, or manufacture Adult Use Cannabis Products within the Band's Territory for wholesale, industrial sale, or bulk sale, the licensee shall collect samples of each batch and send them to an Independent Testing Laboratory in accordance with Section 3.2 prior to sale, unless such processing or manufacturing is conducted in accordance with a license endorsement that specifically excludes the need for secondary testing.
- (5) Licensee's that intend to sell Cannabis Product to businesses outside of the Band's Territory must ensure that, in addition to meeting the testing requirements of Subsection 3.2.7 below, the Cannabis Product must comply with all testing regulations established by the State of Minnesota.

### **3.2.5 Standard Operating Procedures for Cannabis Testing**

Licensees that are responsible for collecting samples and sending them to an Independent Third-Party Laboratory for potency and quality testing under Section 3.2 shall adopt written SOP's that at minimum shall include:

- (1) Procedures for training personnel to collect samples from batches for testing.
- (2) Procedures for collecting samples.
- (3) Procedures for labeling samples, which shall at minimum include:
  - a. Collection date
  - b. Cannabis Product type;
  - c. Batch Number;
  - d. Batch Size; and
  - e. The amount of THC per package or per serving, as applicable.
- (4) Procedures for ensuring that all samples collected are securely transferred to an Independent Third-Party laboratory in accordance with the Independent Third-Party laboratory's chain of custody policy.
- (5) Procedures for failed test results, including retesting.
- (6) At the time of sampling for the testing, the Band Cannabis Licensee must make the entire harvest or process lot available to the employee assigned for sample collection.

- (7) Two (2) employees of the Band Cannabis Licensee shall be physically present for the sampling process and to ensure representative samples are taken from throughout the lot.
- (8) Sampling of the lot shall take place in a designated sample area within the Licensee’s facility.
- (9) The Band Cannabis Licensee will collaborate with testing licensees to create a chain of custody record that includes at least the following information:
  - a. The sending facility’s license number;
  - b. The legal name, address, and contact information of the Licensee sending the Cannabis product for testing;
  - c. The testing facility’s license number;
  - d. The legal name, address, and contact information of the testing licensee;
- (10) For each lot to be sampled—
  - a. The cannabis product category;
  - b. The cannabis product tag number;
- (11) Total mass of the harvest or process lot;
- (12) For infused products, the number of units for sale in the cannabis process lot;
  - a. The cannabis product sample tag number;
  - b. Total mass of the cannabis harvest or process lot sample;
  - c. For infused products, the number of units sampled of the cannabis process lot;
  - d. Identification of the test or tests requested.
- (13) Violation of sampling requirements or manipulation of samples may result in fines up to five thousand dollars (\$5,000) and suspension or revocation of a license, or other appropriate enforcement action in the discretion of the Commission.

**3.2.6 Representative Sample Sizes for Cannabis Tests**

All testing of Adult Use Cannabis Products shall be conducted on a representative sample of the batch in accordance with the cannabis business’s SOP’s, which shall at minimum comply with the following:

- (1) For bulk Adult Use Cannabis Flower, the representative sample size for each batch shall be at least 0.35% of the total dry weight, and shall conform with the following sampling process:

<b>Batch Size (lbs)</b>	<b>Randomly Collected Number of Increments Per Sample</b>
≤ 5	3
5.1-10	8
10.1-20	16
20.1-30	23
30.1-40	29
40.1-50	34

\*sample size shall not exceed 50 lbs.

\*for Adult Use Cannabis Flower at least 25 grams shall be provided for sampling.

- (2) For Adult Use Cannabis Concentrate, Cannabis Edibles, and other Cannabis Products that have been processed or manufactured in Final Form, the sampling process for each Batch shall conform with the following:

Batch Size (units)	Randomly Collected Number of Increments Per Sample
≤ 50	3
51-150	4
151-500	5
501-1200	8
1201-3200	13
3201-10000	20
10001-35000	32
35001-150000	50

\*sample size shall not exceed 150,000 units.

\*for Cannabis Product other than Cannabis Flower, at least 14 grams shall be provided for sampling.

### 3.2.7 Testing Procedures and Pass Limits

The following describes the procedures by which the Independent Third-Party Laboratory shall complete each test set forth in Chapter 5 of the Ordinance.

- (1) **Cannabinoid Concentrations.** The Independent Third-Party Laboratory shall analyze at least 0.5 grams of the representative sample and test the potency by milligrams per gram (mg/g) for dry-weight, or milligrams per milliliter (mg/mL) for volume, for the total sample size, per package, and per serving, where applicable, for each of the following:
- a. THC;
  - b. Tetrahydrocannabinolic acid;
  - c. CBD
  - d. Cannbidolic acid; and
  - e. Artificially Derived Cannabinoids.

For any sample type that would be ignited (flower material, vape oils) by a user, the total THC and total CBD shall be reported as well, utilizing the decarboxylation conversion factor of the acidified forms of the cannabinoid of interest. Artificially Derived Cannabinoids are prohibited from any Cannabis Products.

- (2) **Foreign Material, Insects, and Larvae.** The Independent Third-Party Laboratory shall either examine the representative sample or grind the representative sample into a fine homogenate prior to taking the aliquots necessary for analysis, and it shall meet quality assurance standards if it does not exceed the following limits:
  - a. Shall be mostly free of sand, soil, cinder, and dirt;
  - b. Not more than ¼ of the total sample contains any imbedded foreign material; and
  - c. Insects or larvae shall not exceed (1) insect fragment, one (1) hair, or one (1) count mammalian excreta per (3) grams.
  - d. Not more than 2.0% of other foreign matter (powdery mildew, mold, mites, hair, dirt, etc.).
- (3) **Microbial Impurities.** The Independent Third-Party Laboratory shall analyze at least one (1) gram of the representative sample, and it shall meet quality assurance standards if it does not exceed the following impurity limits:
  - a. Salmonella is not detected in one (1) gram;
  - b. E. Coli is not detected in one (1) gram;
  - c. Shiga toxin-producing *Escherichia coli* is not detected in one (1) gram;
  - d. *Salmonella spp.* Is not detected in one (1) gram;
  - e. *L. monocytogenes* is not detected in one (1) gram;
  - f. Pathogenic *Aspergillus* species *A. fumigatus*, *A. flavus*, *niger*, or *A. terreus* is not detected in one (1) gram;
  - g. Not more than 100,000 CFU/g of mold and yeast is detected in one (1) gram;
  - h. Not more than 150 CFU/g of bile tolerant gram negative bacteria is detected in one (1) gram.
- (4) **Mycotoxins** The Independent Third-party Laboratory shall analyze at least 0.5 grams of the representative sample, and it shall meet quality assurance standards if it does not exceed the following mycotoxin limits:

<b>Aflatoxins</b>	<b>Action limits (ng/g)</b>
Total aflatoxin G1	6.0
Total aflatoxin G2	3.0
Total aflatoxin B1, B2	3.0
<b>Ochratoxin</b>	
Total ochratoxin A	20

- (5) **Heavy Metals.** The Independent Third-party Laboratory shall analyze at least 0.5 grams of the representative sample, and it shall meet quality assurance standards if it does not exceed the following limits for heavy metals:

<b>Heavy Metal</b>	<b>Action Level Limit (µg/kg wet)</b>
Arsenic	250
Cadmium	100

Lead	100
Mercury	100
Total Chromium	100

(6) **Residual Pesticides.** The Independent Third-Party Laboratory shall analyze at least 0.5 grams of the representative sample, and it shall meet quality assurance standards if it does not exceed the following limits for residual pesticides:

Analyte	Action Level Limit (µg/g)
Acetamiprid	0.16
Aldicarb	0.16
Azoxystrobin	0.16
Bifenazate	0.16
Bifenthrin	0.16
Boscalid	0.16
Carbaryl	0.16
Carbofuran (Furadan)	0.16
Chlorantraniliprole	0.16
Clofentezine	0.16
Cypermethrin	0.16
Diazinon	0.16
Dichlorvos	0.16
Dimethoate	0.020
Dursban	0.16
Ethoprop(hos)	0.16
Etofenprox	0.16
Etoxazole	0.16
Fenoxycarb	0.16
Fenpyroximate	0.16
Flonicamid	0.16



Imazalil	0.16
Imidacloprid	0.16
Kresoxim-methyl	0.16
Malathion	0.16
Methiocarb	0.16
Methiocarb	0.16
Methomyl	0.16
Myclobutanil	0.16
Naled	0.16
Oxamyl	0.16
Permethrin	0.16
Phosmet	0.020
Piperonyl butoxide	0.16
Prallethrin	0.16
Propiconazole	0.16
Propoxur	0.16
Pyridaben	0.16
Pyrthrin I	0.040
Pyrthrin II	0.020
Spinosad	0.16
Spiromesifen	0.16
Spirotetramat	0.16
Spiroxamine	0.16
Thiacloprid	0.16
Thiamethoxam	0.16
Trifloxystrobin	0.16

- (7) **Moisture Content and Water Activity.** The Independent Third-party Laboratory shall analyze at least 0.5 grams of the representative sample, and it shall meet quality assurance standards if the water activity does not exceed 0.65 Aw for dried flower, or a rate of 0.85 Aw of Consumable Product.
- (8) **Residual Solvents.** The Independent Third-Party Laboratory shall analyze at least 0.25 grams of the representative sample, and a sample shall meet quality assurance standards if it does not exceed the following limits for residual solvents or processing chemicals:

<b>Residual Solvent or Processing Chemical</b>	<b>Failure Level for Marijuana (inhalation) (ppm)</b>	<b>Failure Level for Cannabis Concentrates or Marijuana Infused Products (ppm)</b>
1,2 - Dichloroethane	> 2	> 5
Acetone	> 750	> 5000
Acetonitrile	> 60	> 410
Benzene	> 1	> 2
Butanes (all isomers)	> 800	> 5000
Chloroform	> 2	> 60
Ethanol	> 1000	> 5000
Ethyl acetate	> 400	> 5000
Ethyl ether	> 500	> 5000
Ethylene Oxide	> 5	> 50
Heptane	> 500	> 5000
n-Hexane (all isomers)	> 50	> 290
Isopropyl alcohol	> 500	> 5000
Methanol	> 250	> 3000
Methylene chloride	> 125	> 600
n-Pentane (all isomers)	>750	> 5000
Propane	> 2100	> 5000
1-Propanol	202 µg/ml	
Toluene	> 150	> 890
Trichloroethylene	> 25	> 80

Total Xylenes (orthomet- , para-)	> 150	> 2170
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**3.3 TEST RESULTS**

**3.3.1 COA Requirements**

A test shall only be considered conclusive upon the issuance of a COA by an Independent Third-Party Laboratory, which shall at minimum include:

- (1) Detailed testing results;
- (2) Testing methods;
- (3) Worksheets, forms, pictures, notes, or any other relevant documentation necessary to appropriately explain sampling or testing methods; and
- (4) A dated signature from the Independent Third-party Laboratory director or authorized management approving the report.

**3.3.2 Failed Tests**

Any Cannabis Product that fails the testing requirements shall be considered unsuitable for purchase or Sale.

- (1) A cannabis business with a failed test result shall notify the Commission immediately upon receipt of a failed test result, shall quarantine the batch in accordance with its SOP’s, and either:
  - a. Dispose of the failed batch as Cannabis Waste; or
  - b. Submit for a retest in accordance with Subsection 3.3.4 below.
- (2) If any Cannabis Product fails a random sampling test conducted by the Commission, the Commission shall issue a notice to the Band cannabis facility, and to the Licensee who supplied the Cannabis Product to immediately suspend all sales on, to, or from the Band’s Territory of the entire batch associated with the failed sample. The notice shall state that the Licensee who supplied the Cannabis Product shall either:
  - a. Dispose of the failed batch as Cannabis Waste; or
  - b. Request one (1) retest in accordance with Subsection 3.3.4 below. The Commission shall quarantine the batch in accordance with Subsection 3.3.5 below, and upon the conclusion of the retest, either release the batch back to the licensee for sale, or dispose of the batch as Cannabis Waste.

**3.3.3 Retests**

Any licensee that is affected by a failed test result is entitled to submit the batch for one (1) retest upon notification to the Commission, or, in the case of a failed random sampling test, that the Commission conduct one (1) additional random sample test form the Batch associated with the failed sample, at the expense of the Person requesting the retest. If the additional sample passes the retest, a third test shall be performed at the Commissions’ expense and the results of that test shall be conclusive as to the suitability of the batch for sale.

### **3.3.4 Storage, Disposal, and Return of Quarantined and Non-Conforming Cannabis Product**

Cannabis Product that fails quality testing standards shall be stored in a secure location established by the Commission for such purpose until such time as it is:

- (1) Determined by the Commission as suitable to be returned to the licensee for sale;
- (2) Provided to law enforcement; or
- (3) Disposed as Cannabis Waste.

For the avoidance of doubt, non-conforming Cannabis Product, if to be used as evidence in a hearing, may be stored in accordance with these Regulations until the matter associated with the hearing has been finally determined. Reports shall be prepared documenting receipt, determination, and disposition of non-conforming Cannabis Product and provided to the Commission.

## **3.4 PACKAGING AND LABELING FOR INDUSTRIAL SALE**

### **3.4.1 Requirements for the Packaging and Labeling of Cannabis Product for Industrial Sale**

- (1) Cannabis businesses packaging and labeling Cannabis Product intended for Industrial Sale shall do so in accordance with the requirements for Industrial Sale packaging and labeling in the Jurisdiction of Destination.
- (2) If the Jurisdiction of Destination is the Band, Cannabis Product intended for Industrial Sale shall be packaged and labeled in accordance with the requirements for bulk sale.

## **3.5 PACKAGING AND LABELING FOR BULK SALE**

### **3.5.1 Requirements for the Packaging and Labeling of Cannabis Product for Bulk Sale Generally**

- (1) Cannabis businesses packaging and labeling Cannabis Product intended for Bulk Sale shall do so in accordance with the requirement for Bulk Sale packaging and labeling of the Jurisdiction of Destination.
- (2) If the Jurisdiction of Destination is the Band, Cannabis Product intended for Bulk Sale shall be packaged and labeled in accordance with Subsection 3.5.2.

### **3.5.2 Requirements for the Packaging and Labeling of Cannabis Product for Bulk Sale Within the Band's Territory**

- (1) The packaging used to transport bulk Cannabis or Cannabis Products shall protect the Cannabis or Cannabis Products from contamination and shall not expose the cannabis or cannabis products to any toxic or harmful substance.
- (2) Packages of bulk cannabis or cannabis products shall be labeled with the following:
  - a. The type or common name of the Commercial Cannabis contained therein;
  - b. The batch number of the Cannabis Product
  - c. The ingredients of the Cannabis Product, including as list if nuts, or any other known allergens are used; and

- d. The net weight or count of the Cannabis Product.

### **3.6 PACKAGING AND LABELING FOR RESALE**

#### **3.6.1 Requirements for the Packaging and Labeling of Cannabis Product for Resale**

Cannabis Businesses Packaging and labeling Cannabis Product intended for Resale shall do so in accordance with the requirements for Retail packaging of the Jurisdiction of Destination.

### **3.7 PACKAGING AND LABELING FOR RETAIL**

#### **3.7.1 Packaging Requirements for Adult Use Cannabis Product Available for Retail Sale**

- (1) Adult Use Cannabis Product sold to retail customers must be packaged as required by this Section 3.7 and Section 6.1 of the Bois Forte Cannabis Regulatory Ordinance.
- (2) Adults Use Cannabis Product sold to retail customers must be:
  - a. Pre-packaged in Packaging that is Child-Resistant, Tamper-Evident and opaque; or
  - b. Placed in packaging or a container that is plain, Child-Resistant, Tamper-Evident, and opaque at the final point of sale to a customer.
- (3) For Adult Use Cannabis Product that is packaged in a manner that includes more than a single serving, each serving must be indicated by scoring, wrapping, or other indicators designating the individual serving size.
- (4) Adult Use Cannabis Edibles containing more than a single serving must be in Packaging that is resealable.

#### **3.7.2 Packaging Prohibitions for Adult Use Cannabis Product Available for Retail Sale**

- (1) Adult Use Cannabis Product sold to retail customers must not:
  - a. Be packaged in a manner that bears a reasonable resemblance to any commercially available product that does not contain Cannabinoids;
  - b. Imitate any Package used for products typically marketed to children;
  - c. Contain colors, imagery, or figures that would make it attractive to children;
  - d. Be designed specifically to appeal to persons under 21 years of age;
  - e. Use Packaging containing or coated with a perfluoroalkyl substance; or
  - f. For Adult Use Cannabis Edibles, use Packaging that contains any material that is not approved by the United States Food and Drug Administration for use in food Packaging.

#### **3.7.3 Additional Requirements for Child-Resistant Packaging**

- (1) The Packaging for Adult Use Cannabis Edibles, orally consumed Adult Use Cannabis Concentrate and Cannabis-containing suppositories shall be Child-Resistant for the life of the product. A Package that contains more than a single serving is not required to be Child-Resistant if each individual serving is packaged in Child-Resistant Packaging.
- (2) Adult Use Cannabis Product intended to be inhaled and Adult Use Cannabis Product that is applied topically may utilize Packaging that is child-resistant only until first

opened, if the Package is labeled with the statement: “This package is not child-resistant after opening.”

### **3.7.4 Labeling Requirements for Adult Use Cannabis Product Available for Retail Sale**

- (1) All Adult Use Cannabis Product Sold to Retail customers must be labeled as required by this Subsection 3.7.4 and Section 6.2 of the Bois Forte Cannabis Regulatory Ordinance.
- (2) A label required under this subsection or the Ordinance shall be unobstructed and conspicuous so that it can be read by the customer.
- (3) All required label information shall be located on or affixed to the outside Packaging, or be easily legible through the outermost Packaging, provided that more than one label may be utilized on the outside of the Packaging if doing so will make the required label information more accessible to the customer.
- (4) All required label information shall be in a type size no smaller than 6-point font.
- (5) Adult Use Cannabis Flower sold to retail customers must have a label that contains at least the information listed in Section 6.2.A of the Bois Forte Cannabis Regulatory Ordinance.
- (6) Adult Use Cannabis Concentrate and Edibles (including beverages) sold to retail customers must have affixed on the packaging or container of the cannabis product a label that contains the information listed in Section 6.2.B. of the Bois Forte Cannabis Regulatory Ordinance.

### **3.7.5 Labeling Prohibitions for Adult Use Cannabis Product Available for Retail Sale**

No Adult Use Cannabis Product shall be labeled or marketed as a drug or medicine capable of diagnosing, preventing, treating, or curing any disease or health condition, or as a food or dietary supplement.

### **3.7.6 Additional Required Information**

- (1) All cannabis retail facilities must provide customers with the following information:
  - a. Factual information about impairment effects and the expected timing of impairment effects, side effects, adverse effects, and health risks of cannabis products;
  - b. A statement that customers and patients must not operate a motor vehicle or heavy machinery while under the influence of Cannabis Products;
  - c. Resources customers and patients may consult to answer questions about Cannabis Products, and any side effects and adverse effects;
  - d. Contact information for the poison control center and a safety hotline or website for customers to report and obtain advice about side effects and adverse effects of Cannabis Flower, Cannabis Products, lower-potency hemp edibles and hemp-derived consumer products; and
  - e. Substance use disorder treatment options.
- (2) A Cannabis Retail Facility may provide the information required in Subsection 3.7.6(1) above by:

- a. A label affixed to the Cannabis Product;
- b. Posting the information in a conspicuous location within the public areas of the Cannabis Retail Facility; or
- c. Providing the information on a separate document or pamphlet provided to customers when the customer purchases the Cannabis Product.

## TABLE OF CONTENTS

<b>4.1 PURPOSE, DEFINITIONS .....</b>	<b>1</b>
4.1.1 Purpose of this Chapter .....	1
4.1.2 Definitions.....	1
<b>4.2 OPERATIONAL STANDARDS .....</b>	<b>1</b>
4.2.1 Commercial Cultivation Standards .....	1
4.2.1.1 Facility Standards.....	1
4.2.1.2 Operational Standards .....	2
4.2.1.3 Operating Procedures.....	3
4.2.2 Commercial Processing Facilities.....	3
4.2.2.1 Facility Standards.....	3
4.2.2.2 Operational Standards .....	4
4.2.2.3 Operating Procedures.....	5
4.2.3 Facility Standards Applicable to all Facilities .....	6
4.2.3.1 Security .....	6
4.2.3.2 Inventory .....	7
<b>4.3 INSPECTIONS AND AUDITS .....</b>	<b>8</b>
4.3.1 Pre-Opening Facility Inspections .....	8
4.3.1.1 Pre-Opening Inspection Required as a Condition of Opening a Band Cannabis Facility to the General Public or Making Sales of Cannabis Product .....	8
4.3.1.2 Scheduling a Pre-Opening Inspection .....	8
4.3.1.3 Required Pre-Opening Inspections .....	8
4.3.1.4 Results of a Pre-Opening Inspection .....	9
4.3.1.5 Expert and Professional Assistance .....	10
4.3.2 Scheduled and Unscheduled Facility and Operations Inspections .....	10
4.3.2.1 Authority to Inspect Band Cannabis Facilities .....	10
4.3.2.2 Suspected Violations Found During the Course of an Inspection .....	10
4.3.2.3 Authority to Confiscate and Quarantine Cannabis Product .....	10
4.3.2.4 Aiding of Inspections .....	11
4.3.2.5 Annual Inspections .....	11



4.3.2.6 Immediate Suspensions .....	11
<b>4.4 SECURED INVENTORY AUDITS .....</b>	<b>11</b>
4.4.1 Required Secured Inventory Audits .....	11
4.4.2 Additional Secured Inventory Audits .....	12
4.4.3 Conduct of Secured Inventory Audits .....	12
4.4.4 Regulatory Violations Discovered During the Course of a Secured Inventory Audit Warranting Immediate Suspension .....	12
4.4.5 Compliance with Secured Inventory Audits .....	12

## CHAPTER 4

### FACILITY AND OPERATIONAL STANDARDS, AUDITS, AND INSPECTIONS

#### 4.1 PURPOSE, DEFINITIONS

##### 4.1.1 Purpose of this Chapter

The purpose of this regulation is to set forth the standards for audits and inspections of Band Cannabis Businesses. This regulation is additionally reserved for general matters concerning facility and operation standards the Commission may establish in addition to those standards set forth in the Bois Forte Cannabis Regulatory Ordinance.

##### 4.1.2 Definitions

All capitalized terms used in this Chapter and not otherwise defined within the individual Subsections herein shall have the meanings given to those terms in the Bois Forte Cannabis Regulatory Ordinance, also referred to from time to time as the “Ordinance.” In addition, the following terms used throughout this Chapter shall have the following meanings:

- (1) “Facility Inspection Report” means the Commission-issued report described in Subsection 4.3.2.5.
- (2) “Pre-Opening Inspection” means the inspection of a Band Cannabis Facility performed by the Commission, which must satisfy the conditions listed in Subsection 4.3.1.
- (3) “Secured Inventory” refers to all Commercial Cannabis stored at a Band Cannabis Facility and which is not located in an area accessible by the general public that is designed to display product for Sale.
- (4) “Security Alarm System” means a device or series of devices, intended to summon law enforcement personnel during, or as a result of, the triggering of an alarm. Devices may include hard-wired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms (a silent system signal generated by the entry of a designated code into the arming station to indicate that the user is disarming under duress); panic alarms (an audible system signal to indicate an emergency situation); and hold-up alarms (a silent system signal to indicate that a robbery is in progress).

#### 4.2 OPERATIONAL STANDARDS

##### 4.2.1 Commercial Cultivation Facilities

##### 4.2.1.1 Facility Standards

- (1) Cultivation operations must be conducted within a structure that is kept in good repair and adequately ventilated, with odor-control measures for external venting. Outdoor cultivation is permitted if the cultivation area is securely fenced, and cannabis plants are not visible from any publicly accessible area.

- (2) Cultivation facilities must comply with stormwater, wastewater, and other requirements of the Band.
- (3) Cultivation facilities must have and maintain a water supply sufficient for the operations and derived from a source that is a regulated water system. Private water supplies may be utilized if derived from a water source that is capable of providing a safe, potable, and adequate supply of water to meet the facility's needs.
- (4) Cultivation facilities must have and maintain plumbing of adequate size and design, installed and maintained to carry sufficient quantities of water and properly convey sewage and liquid disposable waste from the cultivation facility. There shall be no cross-connections between the potable and wastewater lines.
- (5) Cultivation facilities shall provide employees with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.
- (6) Cultivation facilities must have and maintain hand-washing facilities that provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices. The hand-washing facilities must be located convenient to where operations are conducted that require employees to wash and/or sanitize their hands.
- (7) Cultivation facilities must have and maintain screening or other protection against the entry of pests.

#### **4.2.1.2 Operational Standards**

- (1) All cultivation operations must be conducted in a manner that does not adversely affect the health or safety of the employees, or the facility in which operations occur, or nearby properties through creation of mold, mildew, dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts, or be hazardous because of the use or storage of materials, processes, products, or wastes.
- (2) All persons working in direct contact with cannabis shall conform to hygienic practices while on duty, including but not limited to maintaining sufficient personal cleanliness.
- (3) Any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination for whom there is a reasonable possibility of contact with cannabis shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected.
- (4) All buildings, fixtures, and other facilities shall be maintained in a safe and sanitary condition.
- (5) Cannabis shall be stored in a manner that prevents the growth of bacterial or fungal contaminants.
- (6) Pesticide, herbicide, fertilizer, and any other chemicals used by the cultivation operation shall be identified, held, and stored in a manner that protects against contamination of cannabis, and in a manner that is in accordance with this Ordinance and any applicable tribal, state, or federal law, rule, or regulation.
- (7) Cultivation operations, including the receiving, inspecting, transporting, segregating, preparing, manufacturing, packaging, and storing of cannabis or cannabis product,

shall be conducted in accordance with sanitation measures adequate to ensure the safety of the employees and product.

- (8) Waste shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage, or breeding place for pests. Litter and waste shall be properly removed and the operating systems for waste disposal shall be maintained in an adequate manner so that they do not constitute a source of contamination in areas where cannabis is exposed.

#### **4.2.1.3 Operating Procedures**

Each cultivation facility shall establish written operating procedures for the cultivation of cannabis, a copy of which must be maintained at the facility. The procedures must provide for compliance with Chapter 7 of the Bois Forte Cannabis Regulatory Ordinance and at a minimum including the following information:

- (1) the equipment and methods employed in the cultivation of the cannabis;
- (2) how the cultivated cannabis will be transported to a processing facility or distribution facility;
- (3) the manner in which all pesticide and other agricultural chemicals, if any, are to be applied during its cultivation process;
- (4) a requirement that the space in which pesticides, fertilizer, and other agricultural chemicals are stored and used must contain an emergency eye-wash station;
- (5) the manner in which chemicals will be stored and used at the premises;
- (6) a requirement that all equipment and storage used in the production of an Adult Use Cannabis must be food-grade, and all counters and surface areas must be constructed in such a manner that it reduces the potential for the development of microbials and mold and can be easily cleaned;
- (7) the type and quantity of all effluent discharged into the Band's wastewater or storm-water system;
- (8) the hours and days of the week the cultivation facility will be open;
- (9) the number of persons per shift who will be working at the cultivation facility;
- (10) plans and procedures for compliance with the facility security requirements under these regulations or the Ordinance;
- (11) plans and procedures for compliance with the safety testing requirements under these regulations or the Ordinance;
- (12) plans and procedures for compliance with the inventory requirements under these regulations or the Ordinance; and
- (13) any other information required by the Commission.

#### **4.2.2 Commercial Processing Facilities (Manufacturing Facility)**

##### **4.2.2.1 Facility Standards**

- (1) Processing must be conducted within a structure that is kept in good repair and adequately ventilated, with odor-control measures for external venting.
- (2) Processing facilities must comply with stormwater, wastewater, and other requirements of the Band.
- (3) Processing facilities must have and maintain a water supply sufficient for the operations and derived from a source that is a regulated water system. Private water

supplies may be utilized if derived from a water source that is capable of providing a safe, potable, and adequate supply of water to meet the facility's needs.

- (4) Processing facilities must have and maintain plumbing of adequate size and design, installed and maintained to carry sufficient quantities of water and properly convey sewage and liquid disposable waste from the cultivation facility. There shall be no cross-connections between the potable and wastewater lines.
- (5) Processing facilities shall provide employees with adequate and readily accessible toilet facilities that are maintained in a sanitary condition and good repair.
- (6) Processing facilities must have and maintain hand-washing facilities that provide effective hand-cleaning and sanitizing preparations and sanitary towel service or suitable drying devices. The hand-washing facilities must be located convenient to where operations are conducted that require employees to wash and/or sanitize their hands.
- (7) The space in which any Adult Use Cannabis Concentrate is to be produced is a fully enclosed room dedicated to Adult Use Cannabis Concentrate production and clearly designated.
- (8) All equipment used in the production of an Adult Use Cannabis Concentrate must be food-grade, and all counters and surface areas must be constructed in such a manner that it reduces the potential for the development of microbials and mold and can be easily cleaned.
- (9) The space in which Adult Use Cannabis Concentrate is produced must contain an emergency eye-wash station

#### **4.2.2.2 Operational Standards**

- (1) All processing operations must be conducted in a manner that does not adversely affect the health or safety of the employees, or the facility in which operations occur, or nearby properties through creation of mold, mildew, dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, vibration, or other impacts, or be hazardous because of the use or storage of materials, processes, products, or wastes.
- (2) All persons working in direct contact with cannabis shall conform to hygienic practices while on duty, including but not limited to maintaining sufficient personal cleanliness.
- (3) Any person who, by medical examination or supervisory observation, is shown to have, or appears to have, an illness, open lesion, including boils, sores, or infected wounds, or any other abnormal source of microbial contamination for whom there is a reasonable possibility of contact with cannabis shall be excluded from any operations which may be expected to result in such contamination until the condition is corrected.
- (4) All buildings, fixtures, and other facilities shall be maintained in a safe and sanitary condition.
- (5) Cannabis shall be stored in a manner that prevents the growth of bacterial or fungal contaminants.
- (6) All chemicals used by the Processing Operation shall be identified, held, and stored in a manner that protects against contamination of cannabis, and in a manner that is in accordance with this Title and any applicable tribal, state, or federal law, rule, or regulation.

- (7) Processing operations shall be conducted in accordance with sanitation measures adequate to ensure the safety of the employees and product.
- (8) Waste shall be disposed of so as to minimize the development of odor and minimize the potential for the waste becoming an attractant, harborage, or breeding place for pests. Litter and waste shall be properly removed and the operating systems for waste disposal shall be maintained in an adequate manner so that they do not constitute a source of contamination in areas where cannabis is exposed.
- (9) Ensure that all equipment, counters, and surfaces used in the production of a cannabis concentrate are thoroughly cleaned after the completion of each production of a cannabis concentrate.
- (10) For any extraction method that involves the use of solvents, pressurized gas or chemicals, or flammable materials, the facility must, as applicable to the extraction method:
  - a. If the facility is using flammable solvents in the extraction method, the space in which the extraction process will occur shall be an enclosed space such as a CID1 room, also known as a Class 1, Division 1 room, which is a specialized enclosure designed for safely handling hazardous materials and processes within industries where the presence of flammable gases, vapors, or liquids is a constant concern;
  - b. use a professional grade, closed-loop extraction system capable of recovering the solvent used;
  - c. implement a fume hood and exhaust system;
  - d. store flammable material in a storage-tank designed to hold flammable material and is outside of the room in which the concentrates are to be produced;
  - e. for a pressurized extraction system is utilized, ensure that every vessel in the system is rated to a minimum of nine hundred pounds per square inch;
  - f. store all flammable material used in the production in a storage-tank designed to hold flammable material and is outside of the room in which the concentrates are to be produced;
  - g. install and maintain a fire-suppression system in the room where extraction is conducted;
  - h. install and maintain a hydro-carbon gas and carbon dioxide gas monitoring system;
  - i. ensure that the room in which extraction is conducted is a spark-free environment;
  - j. install and maintain an emergency shower; and
  - k. ensure that all fluids used in the extraction process are food-grade and pure.

#### **4.2.2.3 Operating Procedures**

Each processing facility shall establish written operating procedures for the processing of cannabis, a copy of which must be maintained at the facility. The procedures must provide for compliance with Chapter 8 of the Bois Forte Cannabis Regulatory Ordinance and at a minimum including the following information:

- (1) if the processing facility engages in cultivation and/or distribution operations, then all applicable provisions contained in Sections 7.2-7.3 and 9.2-9.3, respectively, of the Ordinance;
- (2) standard operating procedure for each method used to produce a cannabis concentrate;

- (3) written quality control procedures designed to minimize any potential risks to employees or contamination of cannabis products;
- (4) a standard operating procedure for each type of concentrate to be produced that is designed to maximize employee safety and minimize potential contamination of products with residual solvents or microbials and mold;
- (5) a comprehensive training manual that provides step-by-step instructions for each method used to produce a cannabis concentrate, including, but not be limited to, all standard operating procedures, quality control procedures and safety procedures for each method of production, instructions on the appropriate use and maintenance of all equipment involved in each process, and any cleaning required to comply with all applicable sanitary rules;
- (6) procedures for adequate training prior to an individual engaging the production of a cannabis concentrate, including, but not be limited to, providing the appropriated employee or volunteer with the training manual and live, in-person instruction detailing safety procedures for each method of production, instructions on the appropriate use and maintenance of all equipment involved in the process, and any cleaning required to maintain compliance with all applicable sanitary rules;
- (7) procedures for maintaining clear and comprehensive records that document every phase of each step in the production of the cannabis concentrate, which must include the name and license number of every employee or volunteer that worked on the production of that cannabis concentrate;
- (8) how the cannabis concentrate will be transported from a processing facility to a distribution facility;
- (9) the procedure and documentation process for determining dosage including testing for the major active agents in the cannabis product (e.g., cannabinoids Tetrahydrocannabinol (THC), Cannabidiol (CBD) and Cannabinol (CBN)); and
- (10) a requirement for standards for the processing of cannabis into food and other edibles by cooking, baking, infusing, or grinding sufficient to ensure that such edibles are free of contaminants and safe for human consumption.

### **4.2.3 Facility Standards Applicable to all Facilities**

#### **4.2.3.1 Security**

A Cannabis business licensed under the Ordinance shall provide and maintain adequate security for its facilities, which shall include at a minimum the following:

- (1) All employees shall be required to hold and properly display a current identification badge issued by the Commission at all times. Proper display of the badge shall consist of wearing the badge in a plainly visible manner, at or above the waist, and with the photo of the holder visible. The holder shall not alter, obscure, damage, or deface the badge in any manner.
- (2) Security surveillance cameras shall be installed and maintained in good working condition to monitor the main entrance and exterior of all facilities and laboratories to discourage loitering, crime, illegal, or nuisance activities. Security video shall be maintained for a minimum of two full weeks.
- (3) Professionally monitored robbery alarm and burglary alarm systems shall be installed and maintained in good working condition.

- (4) Professionally monitored fire alarm and fire suppression systems shall be installed and maintained in good working condition.
- (5) Security personnel shall patrol or be present on the premises as needed to maintain security of the facility.
- (6) All points of ingress and egress shall have commercial-grade, nonresidential door locks.
- (7) Firearms and other weapons are prohibited on the premises of any business licensed under this Ordinance, except that law enforcement and licensed security personnel may carry such firearms or other weapons as otherwise permitted by applicable law.

#### **4.2.3.2 Inventory Control and Seed-to-Sale Tracking**

Every Cannabis business licensed under the Ordinance shall maintain an inventory control system and must adhere to the following minimum inventory control requirements:

- (1) Each licensee shall designate, in writing, a facility employee who is generally responsible for the inventory control systems and procedures for that facility;
- (2) Licensees shall maintain all records required by this section for at least five (5) years;
- (3) Each licensee shall use the inventory control system as its system of record to track cannabis product from seed or immature plant stage until the cannabis product is either purchased by a consumer expended during testing; or destroyed;
- (4) The inventory control system shall, insofar as is practicable, be able to monitor and report the chain of custody and current whereabouts, in real time, of cannabis from the point that it is harvested at a cultivation facility until it is sold at a distribution facility and, if applicable, if it is processed at a facility for the production of cannabis products;
- (5) Management employees must enter into the inventory system each day's beginning inventory, harvests, acquisitions, sales, disbursements, remediations, disposals, transfers, deliveries, ending inventory, and any other data necessary to complete the inventory control records in the inventory system;
- (6) Discrepancies in cannabis product inventory records shall not be corrected by entering an inventory adjustment without first being documented, investigated by management personnel, and reported to the Commission within twenty-four (24) hours of discovering the discrepancy. A discrepancy is a situation where the cannabis product may not be accounted for physically or in the inventory system;
- (7) If a licensee identifies a reduction in the amount of cannabis product in the inventory of the facility due to suspected criminal activity by a facility agent, the licensee shall report the facility employee to the Commission and to the appropriate law enforcement agencies within twenty-four (24) hours of discovering the suspected criminal activity;
- (8) The inventory control system must be able to monitor and report a real time accounting of the total amount of product sold; and
- (9) The inventory control system must be able to monitor and report such other information as the Commission may require.



## **4.3 INSPECTIONS AND AUDITS**

### **4.3.1 Pre-Opening Facility Inspections**

#### **4.3.1.1 Pre-Opening Inspection Required as a Condition of Opening a Band Cannabis Facility to the General Public or Making Sales of Cannabis Product**

- (1) A Band Cannabis Business must schedule a Pre-Opening Inspection, and obtain a Pre-Opening Inspection letter of approval from the Commission, for its Band Cannabis Business prior to opening its Band Cannabis Facility to the general public or making any purchases or Sales of Commercial Cannabis; provided, however, that the Commission may, at its discretion, permit a Band Cannabis Business to purchase initial inventory of Commercial Cannabis prior to a full pre-opening inspection pursuant to a temporary License with a duration of no greater than 30 calendar days so long as the Commission is satisfied that the Band Cannabis Business has established sufficient security and surveillance protocols to receive, store, and monitor the initial inventory to be purchased.
- (2) It is the Band Cannabis Business's responsibility to schedule a Pre-Opening Inspection with the Commission.

#### **4.3.1.2 Scheduling a Pre-Opening Inspection**

- (1) Subject to Subsection 4.4.1.2(2), a Band Cannabis Business must schedule a Pre-Opening Inspection with the Commission to occur on a date that is no less than 14 days prior to opening its Band Cannabis Facility to the general public or making any Sales of Cannabis Product.
- (2) The Commission may perform a Pre-Opening Inspection on less than 14 days' notice, at its discretion.

#### **4.3.1.3 Required Pre-Opening Inspections**

In performing a Pre-Opening Inspection, the Commission shall confirm that the Band Cannabis Facility satisfactorily complies with all standards identified in this chapter, including those specific to the type of facility identified in Section 4.3 and those applicable to all facilities. The Pre-Opening Inspection must all also confirm the following:

- (1) The location, design and purpose of the Band Cannabis Facility must be consistent with any specified terms of the resolution or other written document submitted with the Band Cannabis Business's application for a Band Cannabis Business License, authorizing the Band Cannabis Business to use a specific parcel or other area of the Band's territory for operation of the Band Cannabis Facility, and that the Band Cannabis Facility is built within the confines of the area of land so provided thereunder and otherwise does not encroach upon the surrounding land.
- (2) The "as-built" Band Cannabis Facility must be materially consistent with the plans and specification submitted with the Band Cannabis Business's application for a Band Cannabis Business License.
- (3) The "as-built" Band Cannabis Facility must meet the minimum standards for building and fire safety as is required for the Facility so built.

- (4) The layout of the Band Cannabis Facility must be consistent with, and must not materially impede, the safety and security plan submitted in association with the Band Cannabis Business's application for a Band Cannabis Business License.
- (5) Any equipment associated with the odor control plan submitted in association with the Band Cannabis Business's application for a Band Cannabis Business License must be installed at the Band Cannabis Facility and must be in proper, functioning order.
- (6) The indoor and outdoor lighting must be properly functioning and must be consistent with the lighting plan submitted in association with the Band Cannabis Business's application for a Band Cannabis Business License.
- (7) All Limited Access Areas located in the Band Cannabis Facility must be consistent with the Band Cannabis Business's application for a Band Cannabis Business License
- (8) All interior and exterior doors and Electronic Key Card Systems must be installed as indicated in the Band Cannabis Business's application for a Band Cannabis Business License
- (9) All windows must be in compliance with the standards required for the Band Cannabis Facility so built.
- (10) The security surveillance system installed in the Band Cannabis Facility must be materially consistent with the Band Cannabis Business's application for a Band Cannabis Business License and must be properly functioning.
- (11) The Security Alarm System installed in the Band Cannabis Facility must be materially consistent with the Band Cannabis Business's application for a Band Cannabis Business License and must be properly functioning.
- (12) All signage, including without limitation entrance, exit and advertising signage, must be consistent with the Ordinance and these Regulations.
- (13) All the accounting software, including point of sales (POS) and inventory accounting software, must be materially consistent with the systems identified for use in the Band Cannabis Business's application for a Band Cannabis Business License, and must be properly installed and functioning.

#### **4.3.1.4 Results of a Pre-Opening Inspection**

- (1) The Commission shall, within five business days following the conclusion of the Pre-Opening Inspection, issue to the Band Cannabis Business a Pre-Opening Inspection letter of approval or a Pre-Opening Inspection letter of denial.
- (2) To issue a Pre-Opening Inspection letter of approval, the Commission must determine that the Band Cannabis Facility satisfies all required inspections under Subsection 4.4.1.3.
- (3) The Commission must issue a Pre-Opening Inspection letter of denial if the Band Cannabis Facility has not satisfied all required inspections under Subsection 4.4.1.3, or the Commission discovers any other material violations of the Ordinance or these Regulations in the course of performing its inspection.
- (4) If the Commission issues a letter of denial, it shall state with specificity the reason(s) for the denial and shall work collaboratively with the Band Cannabis Business to remedy the defects in the Band Cannabis Facility that led to the denial letter and schedule a follow-up inspection that need only inspect those areas of concern addressed in the denial letter.
- (5) Once the Commission is satisfied that all such areas of concern have been remedied, the Commission shall issue a Pre-Opening Inspection letter of approval.

#### **4.3.1.5 Expert and Professional Assistance**

In performing a pre-opening inspection, the Commission may seek the assistance of any relevant industry experts or professionals to aid in its inspection, including but not limited to: surveyors; building inspectors; Tribal and local fire department personnel; Tribal and local police department personnel; IT professionals; and, security experts.

#### **4.3.2 Scheduled and Unscheduled Facility and Operations Inspections**

##### **4.3.2.1 Authority to Inspect Band Cannabis Facilities**

- (1) The Director of the Cannabis Regulatory Commission, or his or her delegee, may:
  - a. enter any Band Cannabis Facility during all hours of operation and shall have immediate access to any and all areas of the operation for the purpose of ensuring compliance with the Commission's regulations and the Ordinance;
  - b. inspect and investigate during all hours of operation and at other reasonable times, within reasonable limits and in a reasonable manner, any Band Cannabis Facility and all relevant conditions, equipment, records and materials therein; and
  - c. question privately any Band Cannabis Business, its Employees and agents during the course of its inspection.
- (2) Neither a Band Cannabis Business nor any of its Employees or agents shall refuse entry of the Director, or his or her delegee, in the performance of his or her duties under this Section or otherwise deter or prohibit the Commission from taking any actions authorized hereunder.

##### **4.3.2.2 Suspected Violations Found During the Course of an Inspection**

If during the course of an inspection a Commissioner finds probable cause to believe that a regulatory violation may have occurred, the Commissioner shall conduct an investigation, prepare an Investigation Report and, where appropriate, initiate an Enforcement Action in accordance with the Ordinance.

##### **4.3.2.3 Authority to Confiscate and Quarantine Cannabis Product**

- (1) If the Commission finds probable cause to believe that any Cannabis Product located within a Band Cannabis Facility is being distributed in violation of the Ordinance or these Regulations, the Commission may:
  - (a) confiscate the Cannabis Product; or
  - (b) quarantine the Cannabis Product within the Band Cannabis Facility by affixing to the Cannabis Product a tag or label stating, "Withdrawal from Distribution Order", or other appropriate marking providing notice that the Cannabis Product is, or is suspected of being, distributed in violation of the Ordinance or these Regulations and has been quarantined, and warning all Persons not to remove or dispose of the Cannabis Product unless and until the quarantine is lifted by the Commission.
- (2) It is a violation of these Regulations for any Person, other than a Commissioner, to remove or dispose of Cannabis Product while under quarantine.
- (3) The Commission shall conduct an investigation of any confiscated or quarantined Cannabis Product, prepare an Investigation Report and, where appropriate, initiate an Enforcement Action in accordance with the Ordinance.

- (4) If the results of the investigation conclude that the Cannabis Product is not in violation of the Ordinance or the Regulations, such Cannabis Product shall be returned to the Band Cannabis Business or the quarantine on the Cannabis Product shall be lifted, as applicable; provided, however, that any Cannabis Product for which the packaging was removed during the course of the investigation must be disposed of as Cannabis Waste by the Commission. The Commission shall not be liable, financially or otherwise, for any Cannabis Product that must be disposed of as Cannabis Waste during the course of, or as a result of, an inspection or investigation.

#### **4.3.2.4 Aiding of Inspections**

A representative of a Band Cannabis Facility shall be given an opportunity to accompany Commissioners during the physical inspection of the Facility.

#### **4.3.2.5 Annual Inspections**

- (1) The Commission shall schedule with each Band Cannabis Business and conduct an annual inspection of their Band Cannabis Facilities. Inspections shall occur at such days and times as may be mutually agreed upon by the Commission and the Band Cannabis Business, provided that if the parties cannot agree to a day and time, the Commission shall have the discretion to schedule the inspections on any reasonable days and at any reasonable times.
- (2) At all such inspections, the Commission shall engage an independent consultant to complete a health and sanitary audit of the Band Cannabis Facility. The independent consultant may be accompanied by one or more Commissioners and Commission staff and shall investigate the Band Cannabis Facility for compliance with the Ordinance, these Regulations, and applicable health and sanitation regulations. The independent consultant shall within seven days thereafter prepare a Facility Inspection Report for the Band Cannabis Facility, identifying any violations or need for improvement in the conduct of safety and security at the Facility. Subject to Subsection 4.3.2.6, below, where a violation is found, the Facility Inspection Report will suggest remedial action and a timeline for the cure thereof. Failure of a Band Cannabis Business to timely cure a violation shall be subject to sanction, suspension or revocation, as deemed appropriate by the Commission.

#### **4.3.2.6 Immediate Suspensions.**

Any Commissioner may immediately suspend a Band Cannabis Business License if, in the course of his or her inspection, he or she discovers a violation that seriously endangers the health, safety or welfare of Licensees, customers or other Persons, and such violation cannot be immediately cured. Such suspension shall be done as an Enforcement Action in accordance with the Ordinance.

### **4.4 SECURED INVENTORY AUDITS**

#### **4.4.1 Required Secured Inventory Audits**

- (1) The Commission shall perform at least two physical Secured Inventory audits of every Band Cannabis Facility annually.

- (2) The Commission shall provide at least 48-hours of prior notice to the Band Cannabis Business in association with the Secured Inventory audits referenced in Subsection 4.5.1(1).
- (3) Secured Inventory audits shall be performed at reasonable times during the Band Cannabis Business's customary hours of operation.

#### **4.4.2 Additional Secured Inventory Audits**

- (1) The Commission may perform additional physical Secured Inventory audits, and such audits may be scheduled or unscheduled.
- (2) The Commission shall not perform more than two additional physical Secured Inventory audits under this Subsection unless one or more Secured Inventory audits performed in the trailing 12-months resulted in a discrepancy of five percent or more between the actual inventory and the inventory that should be present according to the Band Cannabis Facility's inventory accounting system, or the Commission has reasonable suspicion of a regulatory violation in association with the Band Cannabis Business's Secured Inventory.

#### **4.4.3 Conduct of Secured Inventory Audits**

In conducting the inspection, the Commission shall compare the physical inventory with the records of the Band Cannabis Facility's inventory accounting system and may, where warranted, verify the accuracy of inventory by inspecting delivery documentation and any other records of the Band Cannabis Business and the Band Cannabis Facility. If there is more than a five percent discrepancy, as determined by the Commission, between the actual inventory and the inventory that should be present according to the Band Cannabis Facility's inventory accounting system, or where other anomalies give rise to reasonable suspicion of a regulatory violation, the Commission shall initiate an investigation.

#### **4.4.4 Regulatory Violations Discovered During the Course of a Secured Inventory Audit Warranting Immediate Suspension**

A Commissioner may immediately suspend a Band Cannabis Business License if, in the course of his or her inspection, he or she discovers a violation that would be grounds for sanction and which presents an imminent threat to the safety of the Band, customers or other Persons, and such violation cannot be immediately cured. Such suspension shall be done as an Enforcement Action in accordance with the Ordinance and may continue without notice or hearing for up to 72 hours.

#### **4.4.5 Compliance with Secured Inventory Audits**

Neither a Band Cannabis Business nor any of its Employees or agents shall refuse entry of Commissioner in the performance of his or her duties under this Section, or otherwise deter or prohibit the office from taking any actions authorized hereunder.

**TABLE OF CONTENTS**

**5.1 PURPOSE, DEFINITIONS ..... 1**

    5.1.1 Purpose of this Chapter ..... 1

    5.1.2 Definitions ..... 1

    5.1.3 Conditions to Retail Sales of Adult Use Cannabis Product within the Band’s Territory ..... 5

    5.1.4 Permitted Activities that May Be Performed by a Cannabis Retailer Without Additional Licensure or Endorsement ..... 5

    5.1.5 Curbside Delivery Services ..... 6

**5.2 REQUIRED PLANS, POLICIES, AND PROCEDURES; STANDARD OPERATING PROCEDURES ..... 6**

    5.2.1 General ..... 6

**5.3 RETAIL SALES; PURCHASING AND INTAKE; DELIVERY DOCUMENTATION ..... 7**

    5.3.1 Required Documentation for Delivery of Cannabis Product from a Vendor to a Cannabis Retail Facility ..... 7

    5.3.2 Required Documentation for Delivery of Cannabis Product from a Band Cannabis Facility to a Cannabis Retail Facility ..... 8

    5.3.3 Bills of Lading ..... 9

**5.4 INVENTORY PURCHASE AND INTAKE PROTOCOLS ..... 9**

    5.4.1 Permitted Purchases of Cannabis Product for Inventory by a Cannabis Retail Facility ..... 9

    5.4.2 Permitted Sources of Cannabis Product ..... 9

    5.4.3 Intake Protocols for Cannabis Product Delivered to a Cannabis Retail Facility ..... 9

    5.4.4 Initial Deliveries ..... 10

**5.5 NONCONFORMING DELIVERIES ..... 10**

    5.5.1 Deliveries Constituting Nonconforming ..... 10

    5.5.2 Procedure for Nonconforming Delivery ..... 10

**5.6 RETAIL SALES: INVENTORY CONTROL AND TRACKING; INVENTORY CONTROL PLANS ..... 10**

    5.6.1 Inventory Control Plans ..... 10

**5.7 ELECTRONIC TRACKING ..... 12**

    5.7.1 System Requirements ..... 12

**5.8 INVENTORY CONTROLS.....12**

    5.8.1 Inventory Reporting .....12

**5.9 RETAIL SALES; CANNABIS WASTE HANDLING AND DISPOSAL;  
CANNABIS WASTE MANAGEMENT PLANS; HANDLING AND STORAGE;  
DISPOSAL METHODS; RECORDS .....12**

    5.9.1 Cannabis Product Inventory Waste .....12

    5.9.2 Cannabis Waste Management Plan .....12

    5.9.3 Handling and Storage of Cannabis Waste .....13

    5.9.4 Cannabis Waste Disposal Methods .....13

    5.9.5 Cannabis Waste Disposal Records.....13

**5.10 RETAIL SALES; CUSTOMER SALES; RETAILS SALES MINIMUM  
REQUIREMENT; CONDITIONS AND LIMITATIONS.....13**

    5.10.1 Customer Access to Retail Area .....13

    5.10.2 Customer Sales .....14

    5.10.3 Products Available for Sale .....14

    5.10.4 Intoxicated Persons .....14

    5.10.5 Age Verification .....15

    5.10.6 Employee Training .....15

    5.10.7 Professional Standards .....15

    5.10.8 Required Notices in Retail Sales Area .....16

    5.10.9 Cash Handling Policy .....16

**5.11 PURCHASE AND SALE LIMITS.....16**

    5.11.1 Purchase and Sale Limits in Association with Cannabis Retail Facilities .....16

**5.12 CUSTOMER RETURNS .....17**

    5.12.1 Customer Returns of Cannabis Product .....17

    5.12.2 Handling of Customer Returns .....17

**5.13 RETAIL SALES; FACILITY AND OPERATIONAL STANDARDS;  
SECURITY SURVEILLANCE CAMERA SYSTEMS .....17**

    5.13.1 Deterrence Considerations of Security Surveillance Camera Systems .....17

    5.13.2 Minimum Standards for Security Surveillance Camera Systems .....17

    5.13.3 Commission Access to the Digital Video Surveillance System.....18

**5.14 SECURITY ALARMS SYSTEMS.....18**

    5.14.1 Minimum Standards for Security Alarm Systems .....18

<b>5.15 BUILDING AND FIRE SAFETY .....</b>	<b>19</b>
5.15.1 Minimum Standards for Building and Fire Safety .....	19
5.15.2 Lighting .....	19
5.15.3 Odor.....	19
<b>5.16 LOCKS, DOORS, AND WINDOWS.....</b>	<b>19</b>
5.16.1 Exterior Doors .....	19
5.16.2 Limited Access Areas .....	19
5.16.3 Distinct, Adjacent Commercial Cannabis Activity .....	20
5.16.4 Electronic Key Card Access .....	20
5.16.5 Windows.....	20
<b>5.17 SECURITY STAFFING.....</b>	<b>20</b>
5.17.1 On-Site Security Personnel Requirements .....	20
5.17.2 Unarmed Security Personnel Minimum Requirements .....	21
5.17.3 Armed Security Personnel Minimum Requirements .....	21
<b>5.18 FACILITY LOCATION .....</b>	<b>21</b>
5.18.1 Proximity Standards .....	21
5.18.2 Location Standards .....	22
<b>5.19 HOURS OF OPERATION.....</b>	<b>22</b>
5.19.1 Cannabis Retail Facility Hours of Operation .....	22
<b>5.20 CANNABIS PRODUCT DISPLAYS .....</b>	<b>22</b>
5.20.1 Cannabis Product Displays Minimum Standards .....	22
<b>5.21 PUBLIC ACCESS AREAS .....</b>	<b>23</b>
5.21.1 Requirements of Public Access Areas .....	23
<b>5.22 LIMITED ACCESS AREAS .....</b>	<b>23</b>
5.22.1 Requirements of Limited Access Areas .....	23
5.22.2 Entry to Limited Access Areas .....	23
5.22.3 Required Limited Access Areas .....	24
<b>5.23 INVENTORY STORAGE .....</b>	<b>24</b>
5.23.1 Cannabis Product Inventory Storage .....	24
5.23.2 Storage of Industrial, Bulk, Resale, and Retail Inventory .....	24
5.23.3 Non-Cannabis Product Inventory .....	24



**5.24 INCIDENT REPORTING AND MANAGEMENT .....24**

5.24.1 Incident Reporting .....24

5.24.2 Required Incident Reporting .....25

5.24.3 Incident Investigations .....25

5.24.4 Patron Incident Management .....26

5.24.5 Patron Suspension Orders .....26

5.24.6 Patron Ban Orders .....27

5.24.7 Lifting of Patron Ban Orders .....27

5.24.8 Incident Reporting on a Confidential Basis .....27

**5.25 ADVERTISING AND SIGNAGE .....27**

5.25.1 Limitations on Advertising Cannabis Product .....27

5.25.2 Outdoor Advertising .....28

5.25.3 Outdoor Advertising Placed in a Location within a Civil Regulatory Jurisdiction  
of the State of Minnesota .....28

5.25.4 Audience Under 21 Years of Age .....28

5.25.5 Age Confirmation in Advertising .....28

5.25.6 Certain Unsolicited Advertising Prohibited .....29

**5.26 TRADE SAMPLES.....29**

5.26.1 Trade Sample Requirements .....29

5.26.2 Trade Sample Limits .....29

**5.27 REQUIRED RECORD KEEPING .....29**

5.27.1 Records Required of a Cannabis Retail Facility .....29

**5.28 RETAIL SALES: PRE-ROLL MANUFACTURING.....30**

5.28.1 Manufacture of Pre-Rolls by a Cannabis Retailer .....30

## CHAPTER 5

### RETAIL SALES

#### 5.1 PURPOSE, DEFINITIONS

##### 5.1.1 Purpose of this Chapter

The purpose of this Chapter is to provide guidance to cannabis retailers, their employees and agents in the operation of cannabis retail facilities, as well as the regulatory and enforcement duties of the Commission in overseeing those operations.

##### 5.1.2 Definitions

All capitalized terms used in this Chapter shall have the meanings given to those terms in the Bois Forte Cannabis Regulatory Ordinance, also referred to from time to time as the “Ordinance.”

In addition, the following terms used throughout this Chapter shall have the following meanings:

- (1) “Advertisement” means any written or oral statement, illustration or depiction that is intended to promote sales of Cannabis Product, 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.
- (2) “Alarm Installation Company” means a Person engaged in the business of selling, providing, maintaining, servicing, repairing, altering, replacing, moving or installing a Security Alarm System.
- (3) “Armed Security Personnel” means an individual employed by, or otherwise working within, a cannabis retail facility who is authorized to possess and use firearms.
- (4) “Bona Fide Law Enforcement Purpose” means an action taken by a Law Enforcement Official in the performance of their official duties not contrary to Band Law.
- (5) “Bulk Inventory” means Cannabis Product in substantially Final Form that is intended to be repackaged and labeled for retail.
- (6) “Bulk Sale” means the sale of Cannabis Product in substantially Final Form, with the intent that it will, through one or more intermediaries, be sold to the public following re-packaging. Bulk Sale, as used throughout this Chapter, includes Adult Use Cannabis Flower in substantially Final Form intended for the manufacturing of non-infused Pre-Rolls. The phrase “one or more intermediaries” includes the intermediary steps taken by a cannabis retailer to transform Bulk Sale purchases of Cannabis Product into final Form through a license endorsement.
- (7) “Business Entity” means either: (a) a sole proprietorship; or (b) a corporation, limited liability company, trust, joint venture, association, company, partnership, governmental authority or other entity organized or licensed for the purpose of performing business activities.

- (8) “Cannabis Product” includes Adult Use Cannabis Products, Adult Use Cannabis Flower, Adult Use Cannabis Edibles, and Adult Use Cannabis Concentrate, as defined in Section 1.2 of the Ordinance.
- (9) “Cannabis Retail Facility Land Assignment” means a resolution or other written document, issued by the Tribal Council, authorizing a cannabis retailer to use a specific parcel or other area of the Band’s Territory for operation of a cannabis retail facility.
- (10) “Cannabis Waste” means any discarded material that contains Cannabis, and any Cannabis Product that is perished, returned, tampered with, non-conforming or abandoned.
- (11) “Customer Return” means a customer’s return of Cannabis Product that was purchased by the customer from a cannabis retail facility, back to the same cannabis retail facility.
- (12) “Delivery Form” means a template form including, or capable of including, the information required under Section 5.3.
- (13) “Electronic Key Card System” means an access control and electronic key card system with the capability to limit access and perform the other requisite tasks described in this Chapter.
- (14) “Employee License Number” means the license number associated with an employee in possession of an employee license that includes a transport endorsement.
- (15) “Employee Badge” means the Commission-issued badge that dually serves as an Employee License.
- (16) “Final Form” refers to Cannabis Product that is packaged and labeled as it will be sold at retail to a consumer.
- (17) “Incident” means an occurrence at or in association with a cannabis retail facility that either is, or is reasonable suspected to be, unlawful; in violation of these Regulations; a threat to the safe and secure operation of the cannabis retail facility; or, an unreasonably disruptive nuisance to other licensees or customers of the cannabis retail facility.
- (18) “Incident Report Form” means a template form created for the purpose of reporting Incidents occurring at a cannabis retail facility to the Commission, capable of recording the information required under this Chapter.
- (19) “Industrial Inventory” means Cannabis Product not in Final Form that is intended to be manufactured or is intended to be used for extraction purposes.
- (20) “Infused Pre-Roll” means a Pre-Roll into which Adult Use Cannabis Concentrate (other than Kief) or other ingredients have been incorporated.
- (21) “Inventory Control Plan” means the electronic tracking plan required of all Cannabis Retail Facilities to track the source, import, intake, Sale, and disposal of Cannabis Products.
- (22) “Inventory Class” means Bulk Inventory, Industrial Inventory, Resale Inventory, Retail Inventory or any combination of the foregoing.

- (23) “Key Employee” means an employee who has day-to-day management responsibilities over the staff, finances, inventory, or business operations of a Band cannabis business.
- (24) “Law Enforcement Official” means a peace officer or other public-sector employee whose duties primarily involve the enforcement of laws, protecting life and property, keeping the peace, and other public safety related duties.
- (25) “Limited Access Area” means any area of a Band cannabis facility that is restricted to licensees.
- (26) “Monitoring” means the continuous and uninterrupted attention to potential alarm signals that could be transmitted from a Security Alarm System located at a Cannabis Retail Facility for the purpose of summoning a law enforcement officer to the premises upon the triggering of an alarm.
- (27) “Monitoring Company” means a person in the business of providing security system Monitoring services.
- (28) “Natural Person” means a living human being.
- (29) “Non-Cannabis Inventory” refers to any inventory that is not Secured Inventory.
- (30) “Outdoor advertisement” means an advertisement that is located outdoors or can be seen or heard by an individual who is outdoors and includes billboards; 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.
- (31) “Patron Ban Order” means a written order of exclusion issued by the Commission against a customer or guest, prohibiting that customer or guest from entering a cannabis retail facility indefinitely.
- (32) “Patron Incident” means an Incident caused by a customer of a cannabis retail facility.
- (33) “Patron Suspension Order” means a written order of suspension issued by the Commission against a customer or guest, prohibiting that customer or guest from entering a cannabis retail facility for the duration specified in the order, not to exceed 30 days.
- (34) “Pre-Roll” means any combination of the following rolled in paper: Cannabis Flower, shake, leaf, or kief that is obtained from accumulation in containers or sifted form loose Cannabis Flower or leaf with a mesh screen or sieve. The term “Pre-Roll” as used throughout this Chapter specifically excludes infused Pre-Rolls.
- (35) “Point of Sales System” or “POS System” means the electronic accounting and sales software used at Cannabis Retail Facilities.
- (36) “Public Access Area” means those areas of a Cannabis Retail Facility that are open to the general public and not constitute a Limited Access Area.
- (37) “Purchaser” means a customer or patron of a Cannabis Retail Facility.
- (38) “Purchase Order” means the purchase or production order(s) evidencing the contractual purchase of the Cannabis Product delivered.
- (39) “Resale Inventory” means Cannabis Product in Final Form that is intended to be sold to the general public through one or more intermediaries.

- (40) “Residential Home” means any dwelling lawfully occupied by one or more individuals, with a right to ownership or occupancy therein secured by written instrument, and which expressly excludes detached garages, sheds and other buildings which are not suitable for human habitation standing alone.
- (41) “Retail Inventory” means Cannabis Product in Final Form that is intended to be sold to the general public at the cannabis retail facility at which it is stored.
- (42) “Secured Inventory” refers to all Cannabis Product stored at the Retail Facility and which is not on display in the retail sales area.
- (43) “Security Alarm System” means a device or series of devices, intended to summon law enforcement personnel during, or as a result of, the triggering of an alarm. Devices may include hard-wired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audible, visual, or electronic signal; motion detectors, pressure switches, duress alarms (a silent system signal generated by the entry of a designated code into the arming station to indicate that the user is disarming under duress); panic alarms (an audible system signal to indicate an emergency situation); and hold-up alarms (a silent system signal to indicate that a robbery is in progress).
- (44) “Security Personnel” means Armed Security Personnel and Unarmed Security Personnel.
- (45) “Standard Operating Procedures” or “SOP” means a set of written instructions that describe the step-by-step process that licensees must take to properly perform a routine activity at a cannabis retail facility to ensure safety, efficiency, and compliance with the Ordinance and these Regulations.
- (46) “Trade Sample” means a limited amount of Cannabis Product in Final Form that has been designated by a Vendor or a Band cannabis business to be provided to a cannabis retailer or its employees for the purposes of targeted advertising and product education.
- (47) “Transport License Number” means the License number associated with a Vendor or a Band cannabis business for the transport of commercial cannabis in accordance with the Ordinance and these Regulations. A Transport License Number is one of the following: (a) the license number associated with a cannabis business’s transport license; (b) the license number associated with a foreign cannabis business license that includes a transport endorsement; (c) the license number associated with a Band cannabis business license that includes a transport endorsement; or (d) a Distribution License.
- (48) “Unarmed Security Personnel” means an individual employed by, or otherwise working within, a cannabis retail facility who meets the requirements of Subsection 5.17.2. Such individuals are not authorized to possess or use firearms within a cannabis retail facility.
- (49) “Vaporizer Delivery Device” means inhalable Adult Use Cannabis Concentrate, which may be comprised of other ingredients inside a device that uses a heating element to create a vapor including, but not limited to, vaporizer cartridges and vaporizer pens.

- (50) “Vendor” means a foreign cannabis business licensed by another Tribal Nation or the State of Minnesota authorized to sell Cannabis Product to Band cannabis businesses.
- (51) “Visitor” means any person who is not a licensee, a Commissioner, a member of Commission staff, or a law enforcement official visiting a Cannabis Retail Facility in furtherance of a Bona Fide Law Enforcement Purpose.
- (52) “Visitor Badge” means a badge issued by the Commission to a Cannabis Retail Facility, allowing the wearer to accompany a licensee in a Limited Access Area.
- (53) “Youth Center” means any public or private facility that is primarily used to host recreation or social activities for minors, including, but not limited to, private youth membership organizations or clubs, social service teenage club facilities, video arcades where ten or more video games or game machines or devices are operated and where minors are legally permitted to conduct business, or similar amusement park facilities. It shall also include a park, playground or recreational area specifically designed to be used by children which has play equipment installed, including public grounds designed for athletic activities such as baseball, softball, soccer or basketball or any similar facility located on a public or private school grounds, or on city, county or state parks. This definition shall not include any private martial arts, yoga, ballet, music, art studio or similar studio of this nature nor shall it include any private gym, athletic training facility, pizza parlor, dentist office, doctor’s office primarily serving children or a location which is primarily utilized as an administrative office or facility for youth programs or organizations.

**5.1.3 Conditions to Retail Sales of Adult Use Cannabis Product within the Band’s Territory**

- (1) Only a cannabis retailer may make retail sales of Adult Use Cannabis Product.
- (2) To qualify as a cannabis retailer, a person must be in possession of a current and valid retail license issued by the Commission.
- (3) All retail sales must be performed in compliance with the Ordinance and these Regulations.

**5.1.4 Permitted Activities that May Be Performed by a Cannabis Retailer Without Additional Licensure or Endorsement**

- (1) A cannabis retailer may make retail sales of Adult Use Cannabis Product, subject to the following:
  - a. The Purchaser is over twenty-one (21) years of age;
  - b. The Cannabis Product sold to the Purchaser is in Final Form;
  - c. The Cannabis Product sold to the Purchaser is packaged and labeled in compliance with these Regulations.
  - d. The Cannabis Product sold to the Purchaser is laboratory tested in compliance with these Regulations.
  - e. The Cannabis Product sold to the Purchaser is sourced either form a Vendor or a Band cannabis business;

- f. Sale to the Purchaser is made in a Public Access Area located within the confines of the cannabis retail facility building.
- (2) A cannabis retailer may purchase Adult Use Cannabis Products in Final Form from Vendors and Band cannabis businesses at resale.
- (3) A cannabis retailer may store, as Secured Inventory, Adult Use Cannabis Products in one or more Limited Access Areas in accordance with Section 5.23.
- (4) A cannabis retailer may display secured samples of Adult Use Cannabis Product and Adult Use Cannabis Product available for retail sale in the limited access areas of the cannabis retail facility.
- (5) A cannabis retailer may submit those Adult Use Cannabis Products purchased from Vendors and Band cannabis businesses to Independent Third-Party Laboratories for quality assurance testing, provided such testing is done in accordance with the procedures and standards established in Chapter 3 of these Regulations.
- (6) A cannabis retailer may dispose of or destroy Cannabis Waste in compliance with Section 5.9.
- (7) A cannabis retailer may perform all other activities permitted under Section 9.1 of the Ordinance.

### **5.1.5 Curbside Delivery Services**

Under Section 9.2(B)(i) of the Ordinance, transfer or sale of cannabis product to retail customers may only be done in the facility's retail area. The cannabis retailer must designate the retail area where customers are permitted. A retail shall include the portion of the premises where samples of cannabis flower and cannabis products available for sale are displayed. In addition, the retail area may include limited area designated by the cannabis retailer directly outside of the cannabis retail building facility where Adult Use Cannabis Products may be transported and delivered to customers through a curbside pickup process.

If a cannabis retailer designates retail area for curbside pickup purposes, the retailer must develop standard operative procedures (SOPs) for curbside transport and delivery that must be approved by the Commission before any curbside transport and delivery of Adult Use Cannabis Products occurs. At a minimum, the SOPs must outline the process for placing and receiving curbside pickup orders, filling such orders, and transporting and delivering such orders. The SOPs must also include adequate surveillance and security measures to ensure the safety, security, and integrity of the curbside transport and delivery process.

## **5.2 REQUIRED PLANS, POLICIES, AND PROCEDURES; STANDARD OPERATING PROCEDURES**

### **5.2.1 General**

A cannabis retail facility must establish Standard Operating Procedures for the distribution of cannabis products. The operating procedures must contain, at a minimum, the information contained in Section 9.3 of the Bois Forte Cannabis Regulatory Ordinance

The rules and procedures contained in this Chapter shall serve as the minimum standard for Standard Operational Procedures.

### **5.3 RETAIL SALES; PURCHASING AND INTAKE; DELIVERY DOCUMENTATION**

#### **5.3.1 Required Documentation for Delivery of Cannabis Product from a Vendor to a Cannabis Retail Facility**

Each delivery of Cannabis Product from a Vendor to a cannabis retail facility must be accompanied by the following documentation:

(1) On a Delivery Form:

- a. The name and Transport License Number of the Vendor that is selling the Cannabis Product to the Cannabis Retail Facility.
- b. If different from the person identified in Subsection 5.3.1(1)(a) above, the name of the business entity performing transport services of the Cannabis Product on behalf of the Vendor. Any such business entity must be listed on the transport license as authorized to perform transport services on behalf of the Vendor.
- c. The name and driver's license number of each Natural Person performing the physical transportation of the Cannabis Product, which shall include all drivers and passengers traveling in the delivery vehicle. All such Natural Persons must be listed on the transport license as authorized to perform Transport services on behalf of the Vendor.
- d. The make, model and license plate number of the vehicle used for transport.
- e. The item name, item category, batch number and weight or count of all Cannabis Product (weight for cannabis flower and count for cannabis concentrates, cannabis edibles, and cannabis pre-rolls) to be delivered to the cannabis retail facility.
- f. Gross weight of each product category in the shipment.
- g. The estimated date and time of departure of the vehicle used for transport from the Vendor.
- h. The estimated date and time of arrival of the vehicle used for transport to the cannabis retail facility.
- i. The actual date and time of departure of the vehicle used for transport from the Vendor.
- j. The actual date and time of arrival of the vehicle used for transport to the cannabis retail facility.
- k. A space on the form designated for the signature of at least one representative of the Vendor, certifying as to the accuracy of the required information.
- l. A space on the form designated for the signature of at least one Natural Person performing the physical Transportation of the Cannabis Product, certifying as to the accuracy of the required information.



- m. A space on the form designated for the signature of at least one representative of the Cannabis Retail Facility, certifying as to the accuracy of the required information.
- (2) A copy of the purchase or production order(s) for the Cannabis Product being delivered.
- (3) A copy of the test results from an independent Third-Party Laboratory for each batch delivered, certifying that it complies with the potency and quality assurance testing standards established in Chapter 3.

### **5.3.2 Required Documentation for Delivery of Cannabis Product from a Band Cannabis Facility to a Cannabis Retail Facility**

Each delivery of Cannabis Product from a Band cannabis business to a cannabis retail facility must be accompanied by the following documentation:

- (1) On a Delivery Form:
  - a. The name and Transport License Number of the Vendor that is selling the Cannabis Product to the cannabis retail facility.
  - b. If different from the Natural Person identified in Subsection 5.3.2(1)(a) above, the name of the business entity performing transport services of the Cannabis Product on behalf of the Band cannabis business.
  - c. The name and driver's license number of each Natural Person performing the physical transportation of the Cannabis Product, which shall include all drivers and passengers traveling in the delivery vehicle.
  - d. The make, model and license plate number of the vehicle used for transport.
  - e. The item name, item category, batch number and weight or count of all Cannabis Product to be delivered to the cannabis retail facility.
  - f. The estimated date and time of departure of the vehicle used for transport from the Band cannabis facility.
  - g. The estimated date and time of arrival of the vehicle used for transport to the cannabis retail facility.
  - h. The actual date and time of departure of the vehicle used for transport from the Band cannabis facility.
  - i. The actual date and time of arrival of the vehicle used for transport to the cannabis retail facility.
  - j. A space on the form designated for the signature of at least one representative of the Band cannabis facility selling the Cannabis Product, certifying as to the accuracy of the required information.
  - k. A space on the form designated for the signature of at least one Natural Person performing the physical transportation of the cannabis product, certifying as to the accuracy of the required information.
  - l. A space on the form designated for the signature of at least one representative of the Cannabis retail facility, certifying as to the accuracy of the required information.

- (2) A copy of the Purchase Order for the Cannabis Product being delivered.
- (3) A copy of the test results from an Independent Third-Party Laboratory for each batch delivered, certifying that it complies with the potency and quality assurance testing standards established in Chapter 3 (also known as a “Certificate of Analysis” or “COA”).

### **5.3.3 Bills of Lading**

Delivery documentation in compliance with this section is intended to meet the bill of lading requirements established under Section 10.2(v) of the Ordinance.

## **5.4 INVENTORY PURCHASE AND INTAKE PROTOCOLS**

### **5.4.1 Permitted Purchases of Cannabis Product for Inventory by a Cannabis Retail Facility**

All cannabis retail facilities may purchase Adult Use Cannabis Products in Final Form.

### **5.4.2 Permitted Sources of Cannabis Product**

- (1) Cannabis retail facilities shall only source Cannabis Product from the following Persons:
  - a. Other Band cannabis businesses in possession of a current and valid Band cannabis business license.
  - b. Vendors licensed by other Tribal Nations or the State of Minnesota
  - c. Cannabis Product produced by the cannabis retail facility, if appropriately endorsed for the Cannabis Product so produced.
- (2) The Commission shall keep, maintain, publish, and update as necessary a list of licensed Vendors and Band cannabis businesses permitted to supply Cannabis Product to cannabis retail facilities.

### **5.4.3 Intake Protocols for Cannabis Product Delivered to a Cannabis Retail Facility.**

- (1) Cannabis retail facilities shall only accept delivery of Cannabis Product from a person who is listed as authorized to perform the physical transportation of Cannabis Product on a distribution license, transport license, or other license with a transport endorsement.
- (2) Cannabis retail facilities may only accept deliveries of Cannabis Products in a Limited Access Area.
- (3) Delivery of Cannabis Products to a cannabis retail facility must be accompanied by all documentation required under Section 5.3 as applicable.
- (4) No less than two employees of the cannabis retail facility, or one employee and one security officer, shall be on duty at any time when a delivery of Cannabis Product is occurring.
- (5) Within 24 hours following the conclusion of the delivery, all Cannabis Product, both accepted and rejected, shall be recorded in accordance with the cannabis retail facility’s Inventory Control Plan.

#### **5.4.4 Initial Deliveries**

- (1) Prior to opening to the public, and during the first thirty (30) days following opening to the public, a cannabis retail facility shall coordinate all deliveries such that a Commissioner shall be present to monitor the delivery intake process. At any time thereafter, the cannabis retail facility may coordinate deliveries without Commissioner presence once it has demonstrated an ability to safely, securely, and accurately follow the regulatory protocols for delivery intake without Commission oversight to the satisfaction of the Commission, as indicated by written notice to the cannabis retailer from the Commission.

### **5.5 NONCONFORMING DELIVERIES**

#### **5.5.1 Deliveries Constituting Nonconforming**

- (1) Cannabis Product delivered to a cannabis retail facility in any of the circumstances identified in this Subsection shall be considered nonconforming.
- (2) Cannabis Product delivered without accompaniment by all documentation required under Section 5.3, as applicable, shall be nonconforming.
- (3) Cannabis Product delivered that is inconsistent with the documentation required under Section 5.3 as applicable, shall be considered nonconforming.
- (4) Cannabis Product delivered in a manner that violates the Ordinance or the Regulations shall be considered nonconforming.

#### **5.5.2 Procedure for Nonconforming Delivery**

- (1) A cannabis retailer that receives a non-conforming delivery shall:
  - a. Refuse acceptance of the non-conforming aspects of the delivery; and
  - b. Record the deficiency in accordance with its Inventory Control Plan.

### **5.6 RETAIL SALES: INVENTORY CONTROL AND TRACKING; INVENTORY CONTROL PLANS**

#### **5.6.1 Inventory Control Plans**

The Standard Operating Procedures adopted by a cannabis retailer shall include an Inventory Control Plan prior to purchasing any Cannabis Product. The Inventory Control Plan shall, at minimum, require the cannabis retailer to track and document the following:

- (1) The source of Cannabis Product, including:
  - a. The location and license number of the Vendor or Band cannabis business selling the Cannabis Product; and
  - b. The batch number of the Cannabis Product.
- (2) The intake process of the Cannabis Product, including:
  - a. The delivery date;
  - b. The name and license number of the transporter;

- c. The name and license number of the employee who received the Cannabis Product;
  - d. The type(s) of Cannabis Product delivered;
  - e. The price;
  - f. The weight, volume, or count;
  - g. For any rejected Cannabis Product;
    - i. The reason for the rejection; and
    - ii. The date and the method of return, disposal, or destruction.
- (3) The sale of the Cannabis Product, including:
- a. The price of purchase;
  - b. The type(s) of Cannabis Product sold;
  - c. The brand name, if applicable;
  - d. The weight, volume, or count;
  - e. The date of sale;
  - f. The batch number; and
  - g. The name of the purchaser.
- (4) Returns of Cannabis Product sold by the cannabis retailer, including:
- a. The type;
  - b. The brand name, if applicable;
  - c. The weight, volume, or count;
  - d. The date of return;
  - e. The batch number;
  - f. The name of the person making the return;
  - g. The reason for return; and
  - h. The date of disposal or destruction.
- (5) For any Cannabis Product that is laboratory tested:
- a. The type;
  - b. The brand name, if applicable;
  - c. The weight, volume, or count of the Cannabis Product;
  - d. The date of laboratory testing;
  - e. The batch number assigned to the Cannabis Product;
  - f. The name of the person performing the testing; and
  - g. The results of the testing.
- (6) Destruction or disposal of Cannabis Waste, including:
- a. The type of Cannabis Product;
  - b. The brand name, if applicable;
  - c. The weight, volume, or count of the Cannabis Product;
  - d. The date of destruction or disposal;
  - e. The name and license number of the person responsible for the destruction or disposal;
  - f. The reason for the destruction or disposal; and
  - g. The method of disposal.

## **5.7 ELECTRONIC TRACKING**

### **5.7.1 System Requirements**

- (1) Cannabis retailers shall utilize an electronic tracking system approved by the Commission to electronically track the following:
  - a. The purchase and intake of Cannabis Products in accordance with Section 5.3;
  - b. The Inventory Control Plan as described in Section 5.6;
  - c. All purchase and sale of Cannabis Products, including integration with the POS System;
  - d. Any purchaser return of Cannabis Products; and
  - e. Destruction of Cannabis Products as Cannabis Waste pursuant to Section 5.9.
- (2) The Commission shall only approve electronic tracking systems that meet best industry practices and meet the criteria set forth in this Section.

## **5.8 INVENTORY CONTROLS**

### **5.8.1 Inventory Reporting**

- (1) Each cannabis retailer shall generate and keep for no less than five years at the cannabis retail facility, a report that compares the actual physical inventory of Cannabis Product subject to the Inventory Control Plan with the sourcing and sales data from the POS, not less than once every 30 days.
- (2) If there is a discrepancy of greater than five percent between the actual inventory and the inventory that should be present according to the Inventory Control Plan, the cannabis retailer shall report the discrepancy to the Commission.

## **5.9 RETAIL SALES: CANNABIS WASTE HANDLING AND DISPOSAL; CANNABIS WASTE MANAGEMENT PLANS; HANDLING AND STORAGE; DISPOSAL METHODS; RECORDS**

### **5.9.1 Cannabis Product Inventory Waste**

- (1) A cannabis retail facility shall dispose of all Cannabis Product that is perished, tampered with, non-conforming, or abandoned as Cannabis Waste in accordance with this Section.
- (2) Cannabis Product that is returned to the cannabis retail facility, unless forfeited, returned to the source of purchase or submitted for additional testing shall be deemed Cannabis Waste to be disposed of in accordance with this section.

### **5.9.2 Cannabis Waste Management Plan**

- (1) A cannabis retailer shall establish and implement a written Cannabis Waste management plan that describes the method or methods by which the cannabis retailer will dispose of Cannabis Waste generated by or received at the cannabis retail facility.
- (2) The Cannabis Waste management plan shall be approved in writing by the Commission prior to receipt by the cannabis retail facility of any Cannabis Product.

- (3) The rules and procedures contained in this Section, shall serve as the minimum standard for a Cannabis Waste management plan.

### **5.9.3 Handling and Storage of Cannabis Waste**

- (1) All cannabis material designated as Cannabis Waste shall be physically segregated from non-waste cannabis and stored in sealed containers so as not to expose non-waste cannabis to potential contamination.
- (2) All Cannabis Waste shall be stored in a Limited Access Area until such time as it is disposed of under one of the disposal methods identified in Subsection 5.9.4.

### **5.9.4 Cannabis Waste Disposal Methods**

- (1) A cannabis retailer shall dispose of Cannabis Waste using only the following methods:
  - a. Composting in an area of the Band's Territory specifically authorized by the Commission and the Tribal Council as suitable for such purposes, provided the transportation of the Cannabis Waste and the performance of composting activities are done by licensees.
  - b. Collection by a third-party authorized to deliver and process the Cannabis Waste so collected by the jurisdiction to where such Cannabis Waste shall be delivered and processed.
- (2) Self-hauling of Cannabis Waste off the Band's Territory is not authorized at this time.

### **5.9.5 Cannabis Waste Disposal Records**

- (1) Records documenting the destruction and disposal of Cannabis Waste shall be archived by the cannabis retailer and accessible to the Commission for a period of no less than five years from the date of destruction or disposal.
- (2) A licensee that disposes of Cannabis Waste through an entity described in 5.9.4(1)(b) shall specifically:
  - a. Maintain and make available to the Commission upon request the business name, address, contact person, and contact phone number of the entity hauling the Cannabis Waste; and
  - b. Obtain documentation from the entity hauling the Cannabis waste that evidences its authorization to perform such Cannabis Waste collection services.

## **5.10 RETAIL SALES: CUSTOMER SALES; RETAIL SALES MINIMUM REQUIREMENT; CONDITIONS AND LIMITATION**

### **5.10.1 Customer Access to Retail Area**

- (1) Customers shall be granted access to the retail area of a cannabis retail facility only after an employee has verified the customers identity under one of the methods identified in Subsection 5.10.5.

- (2) At least one employee shall be physically present in the retail area at all times when customers are in the retail area.

### **5.10.2 Customer Sales**

- (1) A Cannabis Retailer shall only sell to a customer those products allowable for purchase under Subsection 5.10.3.
- (2) All Sales of Cannabis Product to a customer by a Cannabis Retailer must take place within the retail area of a Cannabis Retail Facility.
- (3) Employees shall not knowingly Sell Cannabis Product to customers who are under 21 years of age.
- (4) Employees shall not knowingly Sell any Cannabis Product under circumstances that would permit the consumer to possess Cannabis Product in excess of the purchase and sale limits established under Subsection 5.11.1.
- (5) Except in circumstances of an exchange of a returned Cannabis Product for a like or similar product, Employees shall not provide Cannabis Product to a customer for free, by promotion or otherwise.
- (6) All sales of Cannabis Product shall be documented in accordance with the cannabis retail facility's Inventory Control Plan.
- (7) All cash transactions shall be performed in accordance with the cannabis retail facility's cash handling policy.

### **5.10.3 Products Allowable for Sale**

- (1) A Cannabis Retailer shall only make the following items available for Retail purchase by a customer in a Cannabis Retail Facility:
  - a. Cannabis Product in Final Form and which is packaged, labeled, and tested in compliance with, and acquired from a Cannabis Business licensed under the Ordinance and these Regulations;
  - b. Hemp and Hemp containing products allowable for Retail Sale under State and Federal Law; and
  - c. Any tangible good that may be sold under Band Law without obtaining a special license (other than a standard business license), provided however, that irrespective of whether a license is required under Band Law, nor or in the future, a Cannabis Retailer shall not sell any product containing tobacco or alcohol, or any firearm, ammunition, or any other object that is designed as or could reasonably be sued as, a weapon.

### **5.10.4 Intoxicated Persons**

Employees of a cannabis retail business shall not sell cannabis products to visibly intoxicated persons. A visibly intoxicated person is an individual whose perceptions, attention, coordination, reaction time and other cognitive skills appear to be inhibited so much so that a reasonable person would believe their ability to drive safely is inhibited.

### **5.10.5 Age Verification**

- (1) Proof of age may be established only by one of the following methods:
  - a. A valid driver's license or identification card issued by Minnesota, another state, or a province of Canada, and including the photograph and date of birth of the licensed person;
  - b. A valid tribal identification card including the photograph and date of birth of the licensed person;
  - c. A valid passport issued by the United States; or
  - d. In the case of a foreign national, by a valid passport.
- (2) A cannabis retailer may seize a form of identification listed under Subsection 5.10.5(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 retailer that seizes a form of identification as authorized under this paragraph must deliver it to Tribal Law Enforcement within 24 hours.

### **5.10.6 Employee Training**

All employees of a Cannabis Retail Facility who transact retail sales shall complete a training program developed by the Cannabis Retailer, prior to making an unsupervised sale, or giving unsupervised advice to a customer in association with, a retail sale. Such training shall specifically include training in the use of the Cannabis Retail Facility's POS system and Standard Operating Procedures.

### **5.10.7 Professional Standards**

- (1) Employees shall conduct themselves in accordance with the professional standards of this Subsection.
- (2) Employees shall be honest, diligent and maintain a clean and organized appearance at all times.
- (3) Employees shall maintain and visibly display on his or her person a copy of his or her Employee Badge at all times while working in a cannabis retail facility or otherwise entering a Limited Access Area.
- (4) Unless the Employee is a licensed physician, they shall not attempt to diagnose any symptoms, nor offer any medical advice, especially with respect to treatment by any Cannabis Product Sold to a customer.
- (5) Employees shall neither state nor imply to a customer that any Cannabis Product will mitigate, treat, cure or prevent any diagnosed disease or adverse health condition.
- (6) If a customer asks an Employee for a recommendation for a Cannabis Product in relation to any medical condition, they shall encourage the customer to consult a medical professional regarding recommended products, dosage, ingestion, anticipated physiological responses and potential side effects.
- (7) Employees shall keep the identity of all customers private.
- (8) Employees shall not report to work under the influence of any controlled substance, including Cannabis.



(9) Employees shall not be entitled to any commission on sales of Cannabis Product.

#### **5.10.8 Required Notices in Retail Sales Area**

- (1) A cannabis retailer must conspicuously post in the retail sales area of its cannabis retail facility all notices required by the Commission, including but not limited to:
  - a. Information about any cannabis product recalls;
  - b. A statement that operating a motor vehicle under the influence of intoxicating cannabinoids is illegal; and
  - c. A statement that cannabis products are only intended for consumption by individuals who are at least 21 years of age.

#### **5.10.9 Cash Handling Policy**

The Standard Operating Procedures maintained by a Band cannabis retailer shall include a cash handling policy that requires at a minimum:

- (1) That employees shall print and keep a physical receipt for all cash transactions;
- (2) That a sufficient supply of cash be available to retail employees to facilitate cash transactions. A determination of sufficiency may be made by the cannabis retailer based on the average number of sales and cash transactions that typically occur at the cannabis retail facility.
- (3) Cash must be stored in a secure container, such as a cash register drawer or a drop safe.
- (4) The storage and handling of cash shall be conducted pursuant to Subsection 5.22.3(3) of this Chapter.
- (5) That two employees shall be present whenever cash is transported from one location to another, including within the cannabis retail facility;
- (6) The cannabis retailer shall maintain a complete and accurate record of the total amount of cash present in the cannabis retail facility.

### **5.11 PURCHASE AND SALE LIMITS**

#### **5.11.1 Purchase and Sale Limits in Association with Cannabis Retail Facilities**

- (1) Cannabis retailers shall not sell more than the following amounts of cannabis product to a customer in a single day:
  - a. No more than two (2) ounces of Adult Use Cannabis Flower, including the combined total amount of Cannabis Flower included in Pre-rolls;
  - b. No more than eight (8) grams of Adult Use Cannabis Concentrate, including as contained in Cannabis Products, and provided that the total THC concentration does not exceed 800 milligrams; and
  - c. No more than six (6) immature cannabis plants.

## **5.12 CUSTOMER RETURNS**

### **5.12.1 Customer Returns of Cannabis Product**

- (1) A cannabis retailer may accept a Customer Return of Cannabis Product.
- (2) A cannabis retailer shall not re-sell the cannabis product that is the subject of a Customer Return.
- (3) A cannabis retailer shall treat any Cannabis Product that is abandoned at the cannabis retail facility or surrounding premises as a Customer Return.
- (4) Cannabis Product that is the subject of a Customer Return shall be handled in accordance with Subsection 5.12.2.

### **5.12.2 Handling of Customer Returns**

- (1) A cannabis retailer who accepts a Customer Return must:
  - a. Send the returned Cannabis Product back to the source of the purchase by the cannabis retailer;
  - b. Forfeit the Cannabis Product to the Commission for additional investigation;
  - c. Submit the Cannabis Product to an Independent Third-Party Laboratory for additional testing; or
  - d. Dispose of or destroy it as Cannabis Waste.
- (2) Customer Returns must be recorded in accordance with the Cannabis Retailers Inventory Control Plan.

## **5.13 RETAIL SALES; FACILITY AND OPERATIONAL STANDARDS; SECURITY SURVEILLANCE CAMERA SYSTEMS**

### **5.13.1 Deterrence Considerations of Security Surveillance Camera Systems**

Security surveillance cameras shall be installed and maintained in good working condition to discourage loitering, crime, and illegal and nuisance activities.

### **5.13.2 Minimum Standards for Security Surveillance Camera Systems**

- (1) All retail cannabis facilities must install and maintain a digital video surveillance system which shall be at all times able to effectively and clearly record images of the areas under surveillance.
- (2) The digital video surveillance system must include permanently mounted cameras' so as to permit a clear and unobstructed view of:
  - a. The indoor and outdoor vantage points of all entrances and exits of the cannabis retail facility;
  - b. All Limited Access Areas, specifically including areas where Secured Inventory is held, and all areas storing a surveillance system storage device;
  - c. All entrances and exits to all Limited Access Areas;
  - d. All areas where Cannabis Product is weighed, packed, stored, loaded, or unloaded for Transportation, prepared or otherwise moved within the cannabis retail facility or the surrounding premises; and

- e. All point-of sale areas and all areas where Cannabis Product is displayed.
- (3) For all areas required to be surveilled under this Section, sufficient cameras shall be installed and maintained to allow for the clear and certain identification of any person and all activities in such areas, without “blind spots.”
- (4) The cameras utilized as part of the surveillance system must:
  - a. Have a minimum resolution of 1280 X 720 pixels; and
  - b. Record continuously for twenty-four hours per day, and record at least fifteen frames per second.
- (5) The use of motion detection is authorized when a cannabis retailer can demonstrate to the satisfaction of the Commission that monitored activities are adequately recorded.
- (6) All video footage shall be kept in a cloud-based or “NVR” (network video recorder) system.
- (7) All video footage shall be retained by the cannabis retailer in the system referenced in Subsection 5.13.2(6) for at least 90 days.
- (8) The date and time must be embedded on all surveillance recordings without significantly obscuring the picture.
- (9) No employee who is not a Key Employee shall have access to video footage or the system described in Subsection 5.13.2(6).
- (10) All information technology associated with the digital surveillance system shall be kept in a Limited Access Area, other than the video cameras and other associated equipment that must, by their nature and function, be located outside of a Limited Access Area.
- (11) The digital video surveillance system must be connected to an uninterruptable power supply that provides continuous power.
- (12) Once installed, camera locations and camera angles shall not be adjusted or otherwise modified without the written approval of the Commission.

### **5.13.3 Commission Access to the Digital Video Surveillance System**

- (1) The system referenced in Subsection 5.13.2(6) shall at all times be remotely accessible by the Commission.
- (2) Only the Commission shall have administrator credentials to the system referenced in Subsection 5.13.2(6).

## **5.14 SECURITY ALARM SYSTEMS**

### **5.14.1 Minimum Standards for Security Alarm Systems**

- (1) A cannabis retail facility shall have a Security Alarm System, installed by an Alarm Installation Company, on all perimeter entry points and perimeter windows.
- (2) Each Security Alarm System used in association with a cannabis retail facility shall incorporate at least one panic alarm located inconspicuously near the point-of-sale terminals.
- (3) A cannabis retailer must ensure its cannabis retail facility is continuously monitored by a Monitoring Company.

## **5.15 BUILDING AND FIRE SAFETY**

### **5.15.1 Minimum Standards for Building and Fire Safety**

- (1) The construction, erection, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy, equipment, use, height, area, and maintenance of cannabis retail facilities are subject to all Band building and fire codes, including any standards regarding installation of fire suppression and monitored fire alarm.
- (2) A cannabis retail facility shall maintain a defensible safety zone for fire prevention surrounding the facility, such that flammable materials such as brush and vegetation are located no less than 30 feet from the Facility.
- (3) A cannabis retailer shall ensure that its cannabis retail facilities are maintained in a clean and sanitary condition, free from infestation by insects, rodents, or other pests.
- (4) Nothing herein is intended, nor shall, diminish the authority of the Commission or any tribal building inspectors, as defined in an applicable Band building or fire code, and each agency shall have concurrent authority regarding building safety, including fire safety.

### **5.15.2 Lighting**

A cannabis retailer must keep all lighting outside and inside the cannabis retail facility in good working order and of sufficient wattage for security cameras and to provide sufficient illumination for the safety and security of the cannabis retail facility.

### **5.15.3 Odor**

A cannabis retailer shall take all reasonable measures to mitigate odors from the activities occurring at the cannabis retail facility.

## **5.16 LOCKS, DOORS, AND WINDOWS**

### **5.16.1 Exterior Doors**

- (1) A cannabis retailer shall use commercial-grade, nonresidential doors and door locks, including an Electronic Key Card System, on all points of entry and exit to the cannabis retail facility.
- (2) Entrances to cannabis retail facilities shall be unobstructed by tall landscaping or architectural features and shall be visible from the public right of way and parking areas.

### **5.16.2 Limited Access Areas**

- (1) Every point of entry and exit of a Limited Access Area shall be secured by a commercial grade door and Electronic Key Card System.
- (2) For the purposes of this subsection, Limited Access Areas specifically include:
  - a. Any area where Cannabis Product is stored as inventory;
  - b. Any area where Cannabis Product is received in delivery;

- c. Any area where information technology equipment is stored (other than equipment that, by its nature and function, must be located outside of a Limited Access Area);
- d. Any area where records of a confidential nature are physically stored (e.g. a filing cabinet containing paper copies of confidential records); and
- e. Any area where cash is stored (other than cash registers, drop safes, and other locations where cash is temporarily and customarily held in a non-limited access area).

### **5.16.3 Distinct, Adjacent Commercial Cannabis Activity**

- (1) Any cannabis retail facility authorized to conduct retail sales that is also authorized, or is adjacent to, another Band cannabis business authorized to engage in cultivation, processing, manufacturing, extraction, or distribution shall be separated by solid walls that extend from floor to ceiling, and any doors leading to the cultivation, processing, manufacturing, extraction, or distribution area shall be secured by a commercial grade door and Electronic Key Card System.
- (2) The Electronic Key Card System shall only permit access by those licensees who are authorized by the Commission to engage in both retail sales and the commercial cannabis activity occurring in the area to which the Electronic key Card System provides access.

### **5.16.4 Electronic Key Card System**

- (1) The Electronic Key Card System used in association with a cannabis retail facility shall have the capability to restrict entry and exit privileges only to members of the Commission and those licensees with the appropriate level of access and shall be programmable only by the Commission (such as through the use of “admin privileges).
- (2) The Electronic Key Card System shall also have the ability to keep a record of administrative changes to the Electronic Key Card System, to control when doors are accessed, and to view historical logs of when certain areas were accessed and by whom, all in a form accessible by the Commission.
- (3) The Electronic Key Card System shall include an automatic, unalterable electronic personnel access log accessible by the Commission.

### **5.16.5 Windows**

All exterior windows of a cannabis retail facility shall be “smash and grab” impact resistant.

## **5.17 SECURITY STAFFING**

### **5.17.1 On-Site Security Personnel Requirements.**

A cannabis retail facility must, at all times, have no less than one Security Personnel on premises during all hours of operation.

### **5.17.2 Unarmed Security Personnel Minimum Requirements.**

- (1) All Unarmed Security Personnel employed by, or otherwise working in, a cannabis retail facility must:
  - a. Be at least 21 years of age;
  - b. Have a valid United States driver's license;
  - c. Be a United States citizen or present documentation of the right to work in the United States;
  - d. Be a high school graduate and be able to read and write in English;
  - e. Submit, prior to their employment, five unrelated letters of reference from people the Security Personnel has known for at least five years; and
  - f. Complete at least 12 hours of pre-assignment training within the first 21 days of employment and present a certificate of completion from either the Bois Forte Police Department or a Minnesota State-approved training provider; and
  - g. After the first 12 months of employment, complete at least six hours of annual refresher training by no later than December 31st of each year during which they are employed.

### **5.17.3 Armed Security Personnel Minimum Requirements**

Armed Security Personnel are not permitted in cannabis retail facilities at this time.

## **5.18 FACILITY LOCATION**

### **5.18.1 Proximity Standards**

- (1) The exterior walls of a cannabis retail facility shall not be located within three hundred feet, using a straight-line radius and without regard to intervening structures, of the exterior walls of any Residential Home.
- (2) The exterior walls of a cannabis retail facility shall not be located within four hundred feet, using a straight-line radius and without regard to intervening structures, of the exterior walls of any public library.
- (3) The exterior walls of a cannabis retail facility shall not be located within six hundred feet, using a straight-line radius and without regard to intervening structures, of the property line of any public or private school for any of grades, kindergarten through twelve, any licensed preschool, licensed childcare facility or Youth Center.
- (4) An exemption shall be granted to a cannabis retail facility licensed by the Commission prior to the operation or occupation of any Residential Home, public library, public or private school, licensed preschool, licensed childcare facility or Youth Center located within the areas of restriction identified in Subsections 5.18.1(1)-(3).
- (5) An exemption shall be granted to a cannabis retail facility that is located within three hundred feet of a Residential Home only if the cannabis retail facility, prior to opening to the general public, has developed and implemented a community engagement plan that provided meaningful opportunity for any individual owning or occupying an affected Residential Home to raise concerns regarding the placement of

the cannabis retail facility, and the cannabis retail facility has mitigated all concerns so raised; provide that under no circumstances shall a cannabis retail facility be located within 150 feet of a Residential Home.

### **5.18.2 Location Standards**

- (1) All cannabis retail facilities must be located:
  - a. Within the Band's Territory'
  - b. Within the boundaries of a Cannabis Retail Facility Land Assignment; and
  - c. On a parcel of land with access to electricity, water, and other utilities necessary for the normal operation of the cannabis retail facility and with the capacity to accommodate the facility standards of Section 9.2 of the Ordinance.

## **5.19 HOURS OF OPERATION**

### **5.19.1 Cannabis Retail Facility Hours of Operation**

- (1) A cannabis retail facility may sell Cannabis Products between the hours of 8:00 am and 10:00 pm.
- (2) A cannabis retail facility may conduct operations other than those described in Subsection 5.19.1(1), and subject to the restrictions of deliveries under Subsection 5.4.3(3), at any time, excluding the hours between 12:00 am and 6:00 am.
- (3) Nothing herein shall prohibit a cannabis retail facility from utilizing Security Personnel in or around a cannabis retail facility at any time.

## **5.20 CANNABIS PRODUCT DISPLAYS**

### **5.20.1 Cannabis Product Display Minimum Standards**

- (1) All Cannabis Product that is available for inspection and purchase by a customer must be in Final Form.
- (2) Cannabis Product available for inspection and purchase by a customer shall be located in a Public Access Area.
- (3) Cannabis Product available for inspection and purchase by a customer may be located in displays that are accessible by the customer or in displays that are not accessible by the customer.
- (4) Cannabis Product located in displays that are accessible by the customer must be supervised by a licensee at all times when customers are present.
- (5) Cannabis Product may be removed from its packaging by a licensee and placed in a container to allow fur customer inspection. Such containers shall not be readily accessible to customers without the assistance of a licensee. The contained must be provided to the customer by a licensee, who shall remain with the customer at all times while the container is being inspected by the customer.

- (6) Cannabis Products removed from their packaging for inspection or display shall not be sold or consumed when the Cannabis Product is no longer used for inspection or display purposes.

## **5.21 PUBLIC ACCESS AREAS**

### **5.21.1 Requirements of Public Access Areas**

- (1) Any transfer or sale of Cannabis Product to a customer must be done in a Public Access Area.
- (2) At least one Security Personnel shall be primarily stationed in the Public Access Area designated for Retail Sales at all times when the cannabis retail facility is open to the general public.
- (3) No individual under 21 years of age may be present in a Public Access Area, and the cannabis retailer shall have policies and procedures in place to restrict entry to only those individual over 21 years of age.
- (4) Medical exceptions for patients under 21 years of age are not permitted at this time.

## **5.22 LIMITED ACCESS AREAS**

### **5.22.1 Requirements of Limited Access Areas**

- (1) Any area of a cannabis retail facility that is not intended for retail sales shall be considered a Limited Access Area.
- (2) Every point of entry and exit of a Limited Access Area shall be secured by a commercial grade door and Electronic Key Card System.
- (3) All points of entry to a Limited Access Area from a Public Access Area or the exterior of the Cannabis Retail Facility shall have posted signage that clearly identifies entry to a Limited Access Area.
- (4) Visitors must prominently display a Visitor Badge on their person at all times when in a Limited Access Area and must at all times be accompanied by a licensee while in such areas.

### **5.22.2 Entry to Limited Access Areas**

- (1) Except as otherwise permitted under this subsection, only licensees may enter a Limited Access Area.
- (2) Commissioners and members of Commission Staff may enter a Limited Access Area in the performance of their official duties.
- (3) Law Enforcement Officials may enter a Limited Access Area for a Bona Fide Law Enforcement Purpose.
- (4) Visitors displaying a validly obtained Visitor Badge may access a Limited Access Area if accompanied by a licensee.
- (5) For the avoidance of doubt, individuals who are validly transporting Cannabis Product in furtherance of the delivery of Cannabis Product do not require a Visitor Badge but must be accompanied by a licensee while in a Limited Access Area.



### **5.22.3 Required Limited Access Areas**

- (1) All Secured Inventory must be secured in a Limited Access Area.
- (2) All deliveries of Cannabis Product must be made through a Limited Access Area.
- (3) Except for temporary storage and handling of cash that is customarily done in the Public Access Areas of a cannabis retail facility, all storage and handling of cash shall be done in a Limited Access Area.
- (4) All Cannabis Waste shall be stored in a Limited Access Area.
- (5) All information technology equipment associated with the Cannabis Retail Facilities digital surveillance system shall be kept in a Limited Access Area, other than video cameras and other associated equipment that must, by their nature and function, be located outside a Limited Access Area.

## **5.23 INVENTORY STORAGE**

### **5.23.1 Cannabis Product Inventory Storage**

- (1) All Cannabis Product stored at a cannabis retail facility must be either on display in the retail area or held as Secured Inventory.
- (2) All Secured Inventory must be stored in a Limited Access Area.
- (3) The Limited Access Area used for Secured Inventory storage shall have ventilation, lighting and climate control adequate to prevent mold, bacterial contamination and spoilage of the Inventory Class stored within.
- (4) Secured Inventory shall not be stored outdoors.
- (5) Bathrooms and changing facilities shall be separated from Limited Access Areas used for Secured Inventory by solid walls that extend from the floor to the ceiling.
- (6) Employee break areas shall be separate and distinct from Limited Access Areas used for Secured Inventory storage.

### **5.23.2 Storage of Industrial, Bulk, Resale, and Retail Inventory**

Each Inventory Class stored within a cannabis retail facility must be separated from all other inventory Classes by solid walls that extend from the floor to the ceiling.

### **5.23.3 Non-Cannabis Product Inventory**

Non-Cannabis Inventory must be stored separately from Secured Inventory. Non-Cannabis Inventory may, but need not, be stored in a Limited Access Area.

## **5.24 INCIDENT REPORTING AND MANAGEMENT**

### **5.24.1 Incident Reporting**

- (1) licensees have an affirmative duty to report all material Incidents to the Commission.
- (2) Except for those Incidents reported to the Commission on a confidential basis, licensees shall report Incidents to the Commission using an Incident Report Form.

- (3) The Incident Report Form shall be either hand delivered to a Commissioner at the Commission's office of operations or sent by electronic mail to a Commissioner using such Commissioner's official Commission electronic mailing address.
- (4) A licensee shall submit an Incident Report Form within 24 hours of the licensee's knowledge of the occurrence of the Incident, unless extenuating circumstances prohibit timely submission.

#### **5.24.2 Required Incident Reporting**

- (1) A licensee may report any Incident, or suspected Incident, to the Commission.
- (2) A licensee must report the following Incidents to the Commission:
  - a. The licensee's observation of a theft or attempted theft from or at the cannabis retail facility.
  - b. The licensee's observation of an individual, other than Armed Security Personnel or law enforcement, in possession of a firearm or other dangerous weapon.
  - c. The licensee's observation of an act of physical violence or a credible threat of physical violence.
  - d. The licensee's observation of a person tampering with Cannabis Product.
  - e. The licensee's observation of a customer attempting to use a fake identification or otherwise attempting to gain entry into the cannabis retail facility through means of force or deception.
  - f. The licensee's observation of any injury to a guest or customer, or a significant injury to another licensee.
  - g. The licensee's observation of previously unreported material damage to the cannabis retail facility or property damage occurring at the cannabis retail facility or the surrounding premises.
  - h. The licensee's observation of improper handling of Cannabis Waste.
  - i. The licensee's observation of any event leading to the ejection or removal of an individual from the cannabis retail facility or the surrounding premises.

#### **5.24.3 Incident Investigations**

- (1) Upon receiving an Incident Report, the Commission shall initiate an investigation.
- (2) If the results of an investigation give rise to a possible regulatory violation by a licensee, the Commission shall prepare an Investigation Report and, where appropriate, initiate an Enforcement Action in accordance with the Ordinance.
- (3) If the results of the Investigation are limited to a Patron Incident, the Commission may issue a Patron Suspension Order or Patron Ban Order.
- (4) Enforcement Actions, Patron Suspension Orders, and Patron Ban Orders are all Official Actions of the Commission giving rise to a right to an administrative hearing under the Ordinance.

#### **5.24.4 Patron Incident Management**

- (1) A cannabis retailer may eject any individual from a cannabis retail facility and may suspend any individual's access to a cannabis retail facility for a maximum of thirty days. Ejections and suspensions may be effectuated by a cannabis retailer in accordance with its internal policies without Commission approval. Ejections and suspensions effectuated by a cannabis retailer are not Official Actions of the Commission and are not subject to administrative hearing or appeal.
- (2) Ejections requiring the use of physical force shall be performed by Security Personnel, unless exigent circumstances require otherwise.
- (3) Security Personnel, where warranted, may temporarily detain individuals who have committed a crime in their presence while waiting for summoned law enforcement to arrive and may search an individual's belongings if reasonably suspected of theft or attempted theft.
- (4) If an Incident results in an ejection or suspension, such result shall be specifically noted in the Incident Report.
- (5) A cannabis retailer may request the Commission issue a Patron Ban Order in its Incident Report.

#### **5.24.5 Patron Suspension Orders**

- (1) The Commission may, following an investigation of a Patron Incident, on the request of the cannabis retail facility or on its own initiative, issue a Patron Suspension Order to a guest or customer.
- (2) A Patron Suspension Order must include the following information:
  - a. The name of the customer who is the subject of the Patron Suspension Order;
  - b. The mailing address and any additional contact information for the customer who is the subject of the Patron Suspension Order, based on the government issued identification of the customer that is kept on file by the cannabis retailer, and which the cannabis retailer shall provide to the Commission on request;
  - c. The facts and circumstances warranting the suspension;
  - d. The duration of the suspension, including the specific start and end dates of the suspension; and
  - e. A statement that the Patron Suspension Order is an Official Act of the Commission subject to the rights of administrative hearing and appeal under the Ordinance.
- (3) A copy of the Patron Suspension Order shall be provided to the customer who is subject to the patron Suspension Order by mailing a copy to the address on file by the cannabis retail facility.
- (4) A copy of the Patron Suspension Order shall be additionally provided to the cannabis retailer, who shall not permit the customer who is the subject of the Order to enter the
- (5) cannabis retail facility for the duration of the Order.

### **5.24.6 Patron Ban Orders**

- (1) The Commission may, following an investigation of a Patron Incident, on the request of the cannabis retail facility or on its own initiative, issue a Patron Ban Order to a guest or customer.
- (2) A Patron Ban Order must include the following information:
  - a. The name of the customer who is the subject of the Patron Ban Order;
  - b. The mailing address and any additional contact information for the customer who is the subject of the Patron Ban Order, based on the government issued identification of the customer that is kept on file by the cannabis retailer, and which the cannabis retailer shall provide to the Commission on request;
  - c. The facts and circumstances warranting the suspension;
  - d. The duration of the suspension, including the specific start and end dates of the suspension; and
  - e. A statement that the Patron Ban Order is an Official Act of the Commission subject to the rights of administrative hearing and appeal under the Ordinance.
- (3) A copy of the Patron Ban Order shall be provided to the customer who is subject to the patron Suspension Order by mailing a copy to the address on file by the cannabis retail facility.
- (4) A copy of the Patron Ban Order shall be additionally provided to the cannabis retailer, who shall not permit the customer who is the subject of the Order to enter the cannabis retail facility for the duration of the Order.

### **5.24.7 Lifting of Patron Ban Orders**

A customer under a Patron Ban Order may, at any time after 180 days from the start date of the Order, petition the Commission in writing to lift their patron ban. Such decision is an Official Action of the Commission.

### **5.24.8 Incident Reporting on a Confidential Basis.**

Any Person, including a licensee, may report an Incident to the Commission on a confidential basis, with or without the use of an Incident Report, and the Commission shall keep such information confidential. Prior to accepting such information, the Commission shall inform the person providing the information that such information may be subject to disclosure if the Commissioner receiving the information is forced to disclose it by a court of competent jurisdiction or under threat of prosecution by a Law Enforcement Official.

## **5.25 ADVERTISEMENTS AND SIGNAGE**

### **5.25.1 Limitations on Advertising Cannabis Product**

- (1) A cannabis retailer shall not publish or cause to be published any Advertisement that:
  - a. contains false or misleading statements;
  - b. contains unverified claims about the health or therapeutic benefits or effects of consuming Cannabis Product;
  - c. promotes the overconsumption of Cannabis Product;

- d. depicts an individual under 21 years of age consuming Cannabis Product;
- e. includes an image designed or likely to appeal to individuals under 21 years of age, including cartoons, toys, animals, or children, or any other likeness to images, characters, or phrases that is designed to be appealing to individuals under 21 years of age or encourage consumption by individuals under 21 years of age;
- f. uses imagery that imitates candy packaging or labeling, or uses the terms “candy” or “candies” or variants in spelling such as “kandy” or “kandeez”; or
- g. does not contain the following warning: “CANNABIS MAY ONLY BE POSSESSED OR CONSUMED BY PERSONS 21 YEARS OF AGE OR OLDER UNLESS THE PERSON IS A QUALIFIED PATIENT. THE INTOXICATING EFFECTS OF CANNABIS PRODUCT MAY BE DELAYED UP TO TWO HOURS. CANNABIS USE WHILE PREGNANT OR BREASTFEEDING MAY BE HARMFUL. CONSUMPTION OF CANNABIS PRODUCT IMPAIRS YOUR ABILITY TO DRIVE AND OPERATE MACHINERY.”

#### **5.25.2 Outdoor Advertising**

No Outdoor Advertising shall be placed within 1,000 feet of any public or private school for any grades, kindergarten through twelve, any licensed preschool, licensed childcare facility, or Youth Center.

#### **5.25.3 Outdoor Advertising Placed in a Location within the Civil Regulatory Jurisdiction of the State of Minnesota.**

All Outdoor Advertising placed in a location outside the Band’s Territory and within the State of Minnesota shall follow the laws of the State of Minnesota.

#### **5.25.4 Audience Under 21 Years of Age**

A cannabis retailer shall not publish, or cause to be published, an Advertisement for Cannabis Product or a cannabis business in any print publication, or on radio, television, or any other medium if 30 percent or more of the audience of that medium is reasonably expected to be individuals who are under 21 years of age, as determined by reliable, current audience composition data.

#### **5.25.5 Age Confirmation in Advertising**

- (1) Prior to any advertising or marketing from a cannabis retailer involving direct, individualized communication or dialogue, the cannabis retailer shall use age affirmation to verify that the recipient is 21 years of age or older.
- (2) For the purposes of this section, direct, individualized communication or dialogue may occur through any form of communication, including in-person, telephone, physical mail or electronic.
- (3) A method of age verification is not necessary for a communication if the cannabis retailer can verify that the cannabis retailer has previously had the intended recipient

undergo a method of age affirmation and the cannabis retailer is reasonably certain that the communication will only be received by the intended recipient.

- (4) A cannabis retailer shall use a method of age affirmation before having a potential customer added to a mailing list, subscribe, or otherwise consent to receiving direct, individualized communication or dialogue controlled by a cannabis retailer.

#### **5.25.6 Certain Unsolicited Advertising Prohibited**

A cannabis retailer shall not utilize unsolicited “pop-up” Advertisements on the internet to advertise a Cannabis Product or its cannabis retail facility.

### **5.26 TRADE SAMPLES**

#### **5.26.1 Trade Sample Requirements**

- (1) Trade Samples must be provided in Final Form and must be packaged, labeled, and laboratory tested in accordance with the Ordinance and these Regulations.
- (2) All trade samples must be labeled with the following: “TRADE SAMPLE. NOT FOR RESALE OR DONATION.”

#### **5.26.2 Trade Sample Limits**

- (1) A Vendor or Band cannabis business may provide a cannabis retailer with the following aggregate quantities of Cannabis Product per month as Trade Samples:
  - a. 1 gram of Adult Use Cannabis Flower multiplied by the number of employees of the cannabis retailer.
  - b. 1 gram of Pre-Roll Cannabis Product multiplied by the number of employees of the cannabis retailer.
  - c. 100 mg of cannabis edibles multiplied by the number of employees of the cannabis retailer.
  - d. 1 gram of Adult Use Cannabis Concentrate, including Cannabis Concentrate intended to be inhaled by a Vaporizer Delivery Device, multiplied by the number of employees of the cannabis retailer.

### **5.27 REQUIRED RECORD KEEPING**

#### **5.27.1 Records Required of a Cannabis Retail Facility**

- (1) A cannabis retailer shall maintain for no less than five years:
  - a. Copies of all delivery forms and associated delivery documents; and
  - b. All information required in its Inventory Control Plan; and
  - c. All financial and accounting records associated with its cannabis retail facility.
- (2) A Cannabis retailer shall keep for the duration of its operation of the cannabis retail facility, all required plans, policies, and procedures listed under this Chapter.

All documents identified under this subsection shall be made available to inspection, audit, and copy by the Commission immediately.

## **5.28 RETAIL SALES: PRE-ROLL MANUFACTURING**

### **5.28.1 Manufacture of Pre-Rolls by a Cannabis Retailer**

- (1) A cannabis retailer may manufacture pre-rolls for retail subject to the following:
  - a. the Adult Use Cannabis Flower purchased by the retailer for manufacturing Pre-Rolls is laboratory tested in compliance with Chapter 3 of these Regulations;
  - b. the Adult Use Cannabis Flower purchased by the retailer for manufacturing Pre-Rolls is sourced from either a Vendor or a Band cannabis business;
  - c. all manufacturing of Pre-Rolls is conducted within a Limited Access Area of the cannabis retail facility building that is exclusively used for activities necessary or incidental to manufacturing activities;
  - d. the Limited Access Area for manufacturing Pre-Rolls additionally complies with the following:
    - i. equipment used in the manufacturing of Pre-Rolls must be food-grade, and all counters and surface areas must be constructed in such a manner that it reduces the potential for the development of microbials and mold and can be easily cleaned;
    - ii. manufacturing of Pre-Rolls shall be conducted in accordance with sanitation measures adequate to ensure the safety of the employees and consumers of the Pre-Rolls;
    - iii. all equipment, counters and surfaces used in the manufacture of Pre-Rolls are thoroughly cleaned after the completion of each batch; and
    - iv. Manufacturing of Pre-Rolls shall be conducted in accordance with safety measures adequate to ensure the safety of the employees and all individuals in the cannabis retail facility; and
  - e. Pre-Rolls are packaged and labeled in accordance with Chapter 3 of these Regulations.
- (2) A cannabis retailer shall seek and obtain approval from the Commission for each distinct Pre-Roll Cannabis Product type manufactured at the retail facility prior to retail.

**TABLE OF CONTENTS**

**6.1 PURPOSE, DEFINITIONS .....1**

    6.1.1 Purpose of this Chapter ..... 1

    6.1.2 Definitions..... 1

**6.2 AUTHORIZATION TO TRANSPORT COMMERCIAL CANNABIS .....1**

    6.2.1 Transportation by or on Behalf of a Band Cannabis Business ..... 1

    6.2.2 Transportation by or on Behalf of a Foreign Cannabis Business ..... 2

    6.2.3 Requests for Waivers and Modifications of the Requirements of this Chapter 6..... 2

**6.3 EQUIPMENT, FACILITY, AND OPERATIONAL STANDARDS .....2**

    6.3.1 Vehicle Ownership and Insurance ..... 2

    6.3.2 Vehicle Conditions..... 3

    6.3.3 Vehicle Security ..... 3

    6.3.4 Vehicle Tracking..... 3

    6.3.5 Vehicle Markings and Branding ..... 3

    6.3.6 Storage Facilities..... 4

**6.4 PROCEDURES AND DOCUMENTATION .....4**

    6.4.1 Transport Procedures ..... 4

        6.4.1.1 Transporter Documentation ..... 4

        6.4.1.2 Quantity Verification ..... 4

        6.4.1.3 Product Restrictions ..... 4

        6.4.1.4 Transportation Personnel ..... 5

        6.4.1.5 Deliveries ..... 5

        6.4.1.6 Vehicle Inspections ..... 5

        6.4.1.7 Adherence to Regulatory Requirements of Jurisdiction of Destination  
that is Not Within the Band’s Territory ..... 5

    6.4.2 Required Record Keeping ..... 5

        6.4.2.1 Transportation Records ..... 5

        6.4.2.2 Operating Procedures..... 5



## **CHAPTER 6**

### **TRANSPORTATION**

#### **6.1 PURPOSE, DEFINITIONS**

##### **6.1.1 Purpose of this Chapter**

The purpose of this regulation is to provide guidance to (1) Cannabis Businesses authorized to Transport Commercial Cannabis to, from, and within the Band’s territory, (2) those individuals performing the physical Transportation of Commercial Cannabis on behalf of such Cannabis Businesses and (3) the Commission in the performance of its regulatory and enforcement duties for the oversight of Transportation activities.

##### **6.1.2 Definitions**

All capitalized terms used in this Chapter 6 and not otherwise defined within the individual Subsections herein shall have the meanings given to those terms in the Bois Forte Cannabis Regulatory Ordinance, also referred to from time to time as the “Ordinance.” In addition, the following terms used throughout this Chapter 6 shall have the following meanings:

- (1) “Cannabis Accessories” means any equipment used to produce, consume, or conceal Commercial Cannabis, and any other merchandise of a Cannabis Business.
- (2) “Jurisdiction of Origin” means the jurisdiction of the location where Commercial Cannabis is loaded for Transportation by a Responsible Transporter.
- (3) “Jurisdiction of Destination” means the jurisdiction of the location to where Commercial Cannabis is delivered by a Responsible Transporter.
- (4) “Responsible Transporter” means an individual who is performing the physical Transportation of Commercial Cannabis on behalf of a Cannabis Business.
- (5) “Transport Endorsement” means a License designation authorizing a Cannabis Business to engage in the Transport of Commercial Cannabis, or an Employee of a Band Cannabis Business to Transport Commercial Cannabis in the name of the Band Cannabis Business.
- (6) “Transport Manifest” means all documentation required by the Jurisdiction of Origin and the Jurisdiction of Destination to Transport Commercial Cannabis.
- (7) “Vehicle” means an automotive vehicle driven by a human. For the avoidance of doubt, a Vehicle expressly excludes aircraft, watercraft, drone, rail, human-powered vehicle, or self-driving vehicle.

#### **6.2 AUTHORIZATION TO TRANSPORT COMMERCIAL CANNABIS**

##### **6.2.1 Transportation by or on Behalf of a Band Cannabis Business**

- (1) A Band Cannabis Business may Transport Commercial Cannabis to another Band Cannabis Business under the conditions of this Chapter 6.
- (2) A Band Cannabis Business may transport cannabis to and from other licensed cannabis businesses located within the Indian Country of another Minnesota Indian tribe, including transit through portions of the State that are not Indian Country, so long as Minn. Stat. 3.9228, subd. 4(e), or equivalent authority, is in effect.

- (3) A Band Cannabis Business may transport cannabis to and from other licensed cannabis businesses located within the State of Minnesota as permitted by compact between the Band and State.
- (4) A Band Cannabis Business may operate a storage facility for adult use cannabis products that are packaged for transport between licensed cannabis businesses.
- (5) The Commission may approve the performance of other actions, so long as they are not inconsistent with the Bois Forte Cannabis Regulatory Ordinance.
- (6) To Transport Commercial Cannabis, a Band Cannabis Business must have a Transport Endorsement or a Distributor License.
- (7) All individuals performing the physical Transportation of Commercial Cannabis on behalf of a Band Cannabis Business must be listed on the Transport Endorsement or Distributor License of the Band Cannabis Business.

### **6.2.2 Transportation by or on Behalf of a Foreign Cannabis Business**

- (1) A Foreign Cannabis Business may Transport Commercial Cannabis to a Band Cannabis Business under the conditions of this Chapter 6.
- (2) To Transport Commercial Cannabis, a Foreign Cannabis Business must have a Transport Endorsement or a Transport License.
- (3) All individuals performing the physical Transportation of Commercial Cannabis on behalf of a Foreign Cannabis Business must be listed on the Transport Endorsement or Transport License of the Foreign Cannabis Business.

### **6.2.3 Requests for Waivers and Modifications of the Requirements of this Chapter 6**

- (1) A Foreign Cannabis Business may, in writing, request that the Commission waive or modify one or more of the requirements of this Chapter, excluding the requirements of Subsection 6.3.2.
- (2) The Commission may, in its discretion and on a case-by-case basis, approve a waiver or modification of one or more of the requirements of this Chapter if it finds that alternative safeguards proposed by the Foreign Cannabis Business meet the overall goals of this Chapter.
- (3) The request for a waiver or modification under Subsection 6.3.3(1) shall include:
  - (a) the specific rule(s) requested to be waived or modified;
  - (b) the reason for the waiver or modification;
  - (c) a description of the alternative safeguard(s) the Foreign Cannabis Business will implement in lieu of the requirement that is the subject of the waiver or modification; and
  - (d) an explanation of how and why the alternative safeguard accomplishes the regulatory goals of public safety, prevention of Cannabis diversion and accountability.

## **6.3 EQUIPMENT, FACILITY, AND OPERATIONAL STANDARDS**

### **6.3.1 Vehicle Ownership & Insurance**

- (1) All Vehicles used for Transportation shall:
  - (a) be owned or leased by the Cannabis Business possessing the Transport License or Transport Endorsement;

- (b) be registered in the State of Minnesota or in the jurisdiction of a federally recognized Indian Tribe located within the State of Minnesota; and
  - (c) be insured in accordance with the State of Minnesota and any additional requirements that may be implemented under Band law.
- (2) The Responsible Transporter(s) shall keep proof of ownership and insurance in the Vehicle at all times during Transportation.

### **6.3.2 Vehicle Conditions**

- (1) All Vehicles used for Transportation shall be in good working condition according to industry standards for fleet vehicles and have the following minimum features:
- (a) automatic locks;
  - (b) climate control;
  - (c) automatic windows; and
  - (d) if the Vehicle is being used to Transport perishable Cannabis Product, the area in which such perishable Cannabis Product is transported shall be refrigerated.

### **6.3.3 Vehicle Security**

- (1) Commercial Cannabis shall only be Transported in:
- (a) a fully enclosed, windowless, locked trailer or trunk that cannot be accessed from inside the Vehicle; or
  - (b) in a secured area or compartment within the interior of the Vehicle with a separate key or combination pad, and a solid or locking metal partition, cage or high strength shatterproof acrylic that prevents access from the inside of the Vehicle. For the avoidance of doubt, the secured area or compartment may be comprised on three sides of any part of the body of the Vehicle, provided the parts of the Vehicle used for the purposes of this section are shatterproof and are not made of glass.
- (2) All Vehicles used for Transportation shall have an alarm system, including features for duress, panic and hold-up emergencies.
- (3) While left unattended, Vehicles used for Transportation shall be locked and secured, and no Vehicle containing Commercial Cannabis shall be left unattended in a residential area or parked overnight in a residential area.

### **6.3.4 Vehicle Tracking**

- (1) All Vehicles used for Transportation must have a vehicle tracking system that is capable of real time tracking and recording of the route taken by the Vehicle while Transporting Commercial Cannabis that can be accessed remotely in real-time by the Cannabis Business holding the Transport License or Transport Endorsement.
- (2) The vehicle tracking system referenced in Subsection 6.4.4(1) may be an application installed on a mobile device.

### **6.3.5 Vehicle Markings and Branding**

- (1) Commercial Cannabis shall only be Transported inside of a Vehicle and shall not be visible or identifiable from outside of the Vehicle.
- (2) Vehicles used for Transportation shall contain no words, images, characters, coloring or other markings that insinuate or otherwise display:
- (a) Cannabis or Hemp;

- (b) Cannabis or Hemp Products;
- (c) Cannabis Product branding;
- (d) Cannabis Accessories;
- (e) the Licensee name or logo; or
- (f) which identify that the Vehicle is owned or leased by a Cannabis Business.

### **6.3.6 Storage Facilities**

Storage Facilities must:

- (1) Be secured and not open to the public;
- (2) Be within a structure that is kept in good repair and adequately ventilated, with odor-control measures for external venting;
- (3) Have designated areas for loading and unloading cannabis products that are obstructed from public view or access;
- (4) have ventilation, lighting, and climate control adequate to prevent mold or bacterial contamination of cannabis products;
- (5) be maintained in a clean and sanitary condition, free from infestation by insects, rodents, or other pests;
- (6) not bear any exterior signage, or similar indicia, of cannabis business operations.

## **6.4 PROCEDURES AND DOCUMENTATION**

### **6.4.1 Transport Procedures**

#### **6.4.1.1 Transporter Documentation**

The Responsible Transporter(s) shall maintain the following documentation in the Vehicle at all times during Transportation:

- (1) the Transport License or Endorsement of the Cannabis Business;
- (2) the Responsible Transporter(s)'s driver's license(s); and
- (3) the Delivery Manifest(s) of the Commercial Cannabis in the Vehicle.

#### **6.4.1.2 Quantity Verification**

- (1) At pick-up, the Responsible Transporter(s) shall verify that the Commercial Cannabis being picked up for Transport matches the Commercial Cannabis listed in the accompanying Transport Manifest, including the weight or count of such Commercial Cannabis.
- (2) The Responsible Transporter(s) shall not take into possession any Commercial Cannabis for Transport that is not listed in the Transport Manifest.
- (3) At drop-off, the Responsible Transporter(s) shall verify that the Commercial Cannabis being dropped off matches the Commercial Cannabis listed in the accompanying Transport Manifest, including the gross weight or count of such Commercial Cannabis.

#### **6.4.1.3 Product Restrictions**

- (1) No products intended for sale or delivery, other than Commercial Cannabis and Cannabis Accessories, may be Transported in the same Vehicle.

- (2) Adult Use Cannabis Products may only be transported in retail packaging or in sealed containers. Adult Use Cannabis Products for wholesale delivery must also be transported in sealed containers to sufficiently protect the integrity of the products.

#### **6.4.1.4 Transportation Personnel**

- (1) No person under the age of 21 years old shall be in a Vehicle Transporting Commercial Cannabis.
- (2) Only those individuals specifically listed on the Transport License or Transport Endorsement of the Cannabis Business shall be in the Vehicle Transporting Commercial Cannabis.
- (3) All Vehicles used for Transportation shall be staffed with a minimum of two individuals.
- (4) Any trip involving the transport of cannabis products with an aggregate retail value of \$100,000 shall also be staffed by a uniformed security guard.

#### **6.4.1.5 Deliveries**

- (1) Delivery and pick-up trips shall be scheduled to avoid any discernible pattern in route, sequence of stops, and time of pick-up or delivery.
- (2) All cannabis product deliveries must include a bill of lading.

#### **6.4.1.6 Vehicle Inspections**

Any Vehicle used for Transportation of Commercial Cannabis is subject to inspection and may be stopped or inspected by the Commission while within the Band's Territory.

#### **6.4.1.7 Adherence to Regulatory Requirements of Jurisdiction of Destination that Is Not Within the Band's Territory**

All Transportation of Cannabis to a Jurisdiction of Destination that is not within the Band's Indian County shall, in addition to these Regulations, comply with all rules and regulations of the Jurisdiction of Destination.

### **6.4.2 Required Record Keeping**

#### **6.4.2.1 Transportation Records**

- (1) Each Cannabis Business holding a Transport License or Transport Endorsement shall maintain the following records for a minimum of three (3) years:
  - (a) Copies of all Transport Manifests and other documentation required by the applicable jurisdiction;
  - (b) A transportation log documenting the chain of custody of each delivery, including each Employee and Vehicle used during Transportation; and
  - (c) Financial records showing payment for Transportation services.

#### **6.4.2.2 Operating Procedures**

Each Cannabis Business holding a Transport License or Transport Endorsement shall establish written operating procedures specific for the Transport of Commercial Cannabis, including procedures to comply with the Bois Forte Cannabis Regulatory Ordinance, Section 10. They must include, at a minimum:

- (1) standards and procedures for screening and evaluating shipping containers prior to transportation and upon delivery at the distribution facility;
- (2) standards and procedures for securing shipping containers and monitoring that security while in transit;
- (3) standards and procedures for allowing government officials to ensure and validate compliance with this program; and
- (4) any other measures the Commission considers necessary to ensure the security and integrity of transporting adult use cannabis or cannabis products.