

KAHNAWÀ:KE CANNABIS CONTROL LAW

K.R.L. c. _____

[Enacted by MCR # _____ on _____]

PREAMBLE

This is a Kahnawà:ke Law respecting the cultivation, processing, distribution, sale, possession and use of cannabis within and from the Territory.

SECTION I

1. SHORT TITLE

1.1 This Law may be cited as the “Cannabis Control Law”.

SECTION II

2. JURISDICTION

2.1 The ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke, as part of the Mohawk Nation and the Six Nations Confederacy, and respecting the principles contained within the Constitution of the Six Nations Confederacy are and have always been Sovereign Peoples.

2.2 The ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke have consistently and historically exercised ultimate and exclusive jurisdiction over the Territory.

2.3 The ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke have existing, inherent and inalienable rights which include the right of self-determination; the right to promote and control economic development; and the right to preserve peace, power and righteousness within the Territory.

- 2.4 The aforementioned rights of the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke have been recognized and affirmed in the domestic laws of Canada, including the *Constitution Act, 1982* and other federal and provincial legislation.
- 2.5 The aforementioned rights of the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke, as Indigenous Peoples, have been recognized and affirmed in international covenants and declarations, including the *International Covenant on Civil and Political Rights*, the *International Covenant on Economic, Social and Cultural Rights* and the *United Nations Declaration on the Rights of Indigenous Peoples*.
- 2.6 As cultivation, processing, distribution, sale, possession and use of cannabis has a significant impact on socio-economic development, health, safety and peace, power and righteousness within the Territory, the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke have the ultimate and exclusive right and jurisdiction to regulate and control cannabis within the Territory.
- 2.7 Given that jurisdictions surrounding Kahnawà:ke are creating legislation that directly impacts the well-being of our community, the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke have the obligation to regulate and control cannabis in a way that protects and preserves the best interests of our community.
- 2.8 The Mohawk Council of Kahnawà:ke, as a governing body in and for the Territory, has the power and authority to enact this Law on behalf of the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke.

3. APPLICATION

- 3.1 This Law applies to:
- (a) all activities related to the cultivation, processing, distribution, sale, possession and use of cannabis within, into and from the Territory; and
 - (b) all persons and business entities situated or found within the Territory.

3.2 This Law and the regulations may apply to Tioweró:ton Territory to the extent that it is authorized in whole or in part by resolutions of both the Mohawk Council of Kahnawà:ke and Mohawk Council of Kanehsatà:ke.

3.3 Laws of general application will continue to apply to the extent they are not inconsistent with this Law or the regulations.

4. PROHIBITION

4.1 Unless authorized by this Law or the regulations, the cultivation, processing, distribution, sale, possession and use of cannabis within and from the Territory is prohibited. For greater certainty, a licence issued by a regulatory authority outside of the Territory has no validity within the Territory unless the licence holder has also been authorized under this Law or the regulations.

5. COOPERATION

5.1 To ensure the purposes of this Law and the regulations are fully realized, the Kahnawà:ke Cannabis Control Board will liaise regularly and cooperate with the Cannabis Health and Safety Committee and any other appropriate agency ~~within or outside the Territory.~~

6. HARMONIZATION

6.1 This Law may serve as the basis for the harmonization of laws and regulations concerning cannabis in other jurisdictions and for co-operation and mutual assistance between the Kahnawà:ke Cannabis Control Board and other First Nations and other regulatory and law enforcement agencies. However, this Law and the regulations are not dependent on the approval of, or cooperation from, any other governmental body or agency.

6.2 For greater certainty, the foregoing section 6.1 is not intended to, and does not in fact, affect, compromise or diminish the authority of internal agencies, such as the Kahnawà:ke Cannabis Control Board, the Kahnawà:ke Peacekeepers and any other regulatory or law enforcement agency empowered under Kahnawà:ke law.

6.3 The requirement in section 16.1 of this Law to hold an equivalent licence issued by Health Canada will remain in force until such time as Kahnawà:ke establishes a public health agency that has a capacity and standards comparable to Health Canada regarding the issuance of cannabis-related licences in compliance with the criminal laws of general application.

7. **PURPOSES**

7.1 The purposes of this Law are to:

- (a) protect the health and safety of the ~~Mohawks~~ of ~~Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke and other persons found within the Territory and, in particular to protect the health of young persons by restricting their access and exposure to cannabis and cannabis by-products;
- (b) protect the jurisdictional integrity of the Territory by ensuring mutual respect and cooperation in relation to jurisdiction, economic advancement and enforcement of Kahnawà:ke's domestic affairs;
- (c) facilitate a regulated and controlled cannabis industry that will promote and enhance socio-economic development, fiscal self-sufficiency and tangible benefits for the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke;
- (d) provide for the legal cultivation, processing, distribution, sale, possession and use of quality-controlled cannabis within and from the Territory;
- (e) deter illicit and illegal activities in relation to cannabis, including but not limited to:
 - (i) preventing cannabis from being diverted into the illicit or illegal market;
 - (ii) preventing illicit or illegal cannabis from entering the source of supply of the legal cannabis market;

through appropriate sanctions and enforcement measures; and

- (f) balance the interests of Kahnawà:ke community members who, on the one hand, are opposed to legal cannabis in the Territory with the interests of community members who support the regulated cultivation, processing, distribution, sale, possession and use of cannabis in the Territory.

8. **DEFINITIONS**

8.1 For the purposes of this Law and the regulations:

“**accountable**” means having a duty to provide complete and accurate information, provided the information is not subject to privilege or confidentiality;

“**Approved Agent**” means a person or persons approved by the Board to carry out any of the functions set forth in this Law or the regulations, on behalf of the Board;

“**arm’s length**” means having authority and responsibility to make the decisions and take the actions as provided for in this Law;

“**Board**” means the Kahnawà:ke Cannabis Control Board;

“**cannabis**” means a plant that belongs to the genus *Cannabis* and includes

- (a) any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not, other than a part of the plant referred to below;
- (b) any substance or mixture of substances that contains or has on it any part of such a plant; and
- (c) any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained;

but does not include:

- (d) a non-viable seed of a cannabis plant;
- (e) a mature stalk, without any leaf, flower, seed or branch, of such a plant;
- (f) fiber derived from a stalk referred to above; and
- (g) the root or any part of the root of such a plant;

“**Committee**” means the Cannabis Health and Safety Committee;

“**consumer**” means an individual that purchases cannabis for personal use;

“**Council**” means the Mohawk Council of Kahnawà:ke;

“**cultivate**” means to grow, propagate or harvest any cannabis plant or any other living thing from which cannabis may be extracted;

“**cultivator**” means the holder of a valid Standard Cultivation Licence or Micro-cultivation Licence;

“**dispensary**” means a commercial facility located within the Territory that is operated by the holder of a Dispensary Licence;

“**distribute**” or “**distribution**”, in respect of cannabis, means giving, transferring, transporting, sending, delivering, providing or otherwise making available in any manner, whether directly or indirectly, and includes offering to distribute;

“**distributor**” means the holder of a valid Distribution Licence;

“**family member**” means a spouse, parent, child or sibling;

“**individual**” means a single human being;

“**Kahnawà:ke**”, “**Mohawk Territory of Kahnawà:ke**” or “**Territory**” means:

- (a) the lands presently under the control and jurisdiction of the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke, including the lands referred to

by the government of Canada as “Kahnawà:ke Indian Reserve No. 14”;

- (b) any and all lands that may be added to the lands now under the control and jurisdiction of the ~~Mohawks of Kahnawà:ke~~ Kanien’kehá:ka of Kahnawà:ke through the negotiation and resolution of land grievances;
- (c) any and all lands that may be added to the lands now under the control and jurisdiction of the ~~Mohawks of Kahnawà:ke~~ Kanien’kehá:ka of Kahnawà:ke as a result of any other means;
- (d) lands, which are returned to, Kahnawà:ke as lands within the meaning of subsection 91(24) of the Constitution Act, 1867;
- (e) the water and waterways under the control and jurisdiction of the ~~Mohawks of Kahnawà:ke~~ Kanien’kehá:ka of Kahnawà:ke; and
- (f) lands that Kahnawà:ke has not relinquished or ceded;

“**licence**” means a licence issued by the Board;

“**licence holder**” means the holder of a valid licence;

“~~Kanien’kehá:ka of Kahnawà:ke~~ Mohawk of Kahnawà:ke” when used in the singular, means a person registered on the Kanien’kehà:ka Kanien’kehá:ka of Kahnawà:ke Registry as a member of the Community of Kahnawà:ke and when used in the plural means all persons making up the Community of Kahnawà:ke;

“**Onkwehón:we**” means an Indigenous individual;

“**person**” includes an individual, corporation, partnership, limited liability company and any other business entity recognized under the laws applicable within the Territory;

“**possess**”, in respect of cannabis, means to have cannabis in a person’s personal possession or knowingly have cannabis in the actual possession or custody of another person, or has cannabis in any place, whether or not that place belongs to or is occupied by the person, for the use of the person or of another person;

“**prescribed legal age**” means the full age of twenty-one (21) years, or such other age as is provided in the regulations;

“**process**” in respect of cannabis, means the production, packaging and labelling of cannabis products;

“**processor**” means the holder of a valid Standard Processing Licence or Micro-processing Licence;

“**public area**” means the buildings and areas defined by the regulations;

“**regulation**” means any regulation enacted by the Board under this Law;

“**sell**” or “**sale**” means to transfer ownership in exchange for money or something of value and includes offer for sale, expose for sale and have in possession for sale;

“**Tioweró:ton Territory**” means the lands described as Doncaster Indian Reserve No. 17;

“**use**”, in respect of cannabis, means to smoke, vape, inhale, ingest, absorb or otherwise consume.

SECTION III

9. PERMITTED ACTIVITIES

9.1 Subject to section 24.3, a person who has attained the prescribed legal age is permitted to possess cannabis for his or her personal use provided that:

- (a) the cannabis has been acquired from a dispensary or from a facility that is licensed by Health Canada; and
- (b) the total amount possessed at any given time does not exceed the amount prescribed by the regulations.

9.2 Notwithstanding the foregoing, where a person is a medical patient and holds a valid

prescription from a licensed medical practitioner, the terms of the prescription will supersede this Law and its regulations, but solely for the purposes of the person's medical treatment.

9.3 Notwithstanding the foregoing, no person is permitted to smoke or vape cannabis in a public area, including a school zone, or in any building or area that is designated by the owner to be a "no smoking" or a "no vaping" zone.

9.4 No person is permitted to use, or be under the influence of, cannabis when operating a motor vehicle and offenders may be charged and prosecuted under the applicable penal or criminal laws of general application.

SECTION IV

10. KAHNAWÀ:KE CANNABIS CONTROL BOARD

10.1 There is established a regulatory body to be known as the Kahnawà:ke Cannabis Control Board for the purpose of regulating, enforcing and administering this Law. For greater certainty, the Board will not be a public policy-making body.

11. GENERAL MANDATE

11.1 The Board will administer this Law in the best interests of the ~~Mohawks~~ of Kahnawà:ke Kanien'kehá:ka of Kahnawà:ke and in accordance with the highest principles of health, safety, security, honesty and integrity.

12. DUTIES AND RESPONSIBILITIES

12.1 In addition to any other duties and responsibilities that may be provided to it in this Law, the Board will:

(a) issue, suspend and revoke the licences provided in this Law and the regulations;

(b) regulate, monitor and inspect all the premises and activities of licence holders; and

(c) make any decision and take any action as is necessary to fulfill the purposes of this Law.

13. **STRUCTURE OF THE BOARD**

13.1 The Board will be accountable to but will function at arm's length from the Council.

~~13.2 The Board will be composed of three (3) members selected and appointed by the Council.~~

13.2 The Board will be composed of three (3) members selected and appointed by the Council from list of eligible persons who have applied for the position.

13.3 To be eligible to be selected and appointed to the Board, a person must:

- (a) be a ~~Mohawk of Kahnawà:ke~~Kanien'kehà:ka of Kahnawà:ke ~~and listed on the Kanien'kehà:ka of Kahnawà:ke Registry;~~
- (b) have attained the full age of twenty-one (21) years old;
- (c) be resident within the Territory;
- (d) not have an interest in a private entity that has applied for or has been granted a licence;
- (e) not have a family member that has an interest in a private entity that has applied for or has been granted a licence; and
- (f) have no criminal conviction for an indictable offence or have received a full pardon for any such conviction.

13.4 Subject to early termination in accordance with this Law, a Board member's term of office will be not less than two (2) years and not more than (3) years. Wherever possible, Council will stagger Board member's appointments to ensure continuity and consistency.

13.5 Upon expiry of a Board member's term of office, subject to the other provisions of this Law, the member is eligible to be re-appointed for another term of office. There is no

limitation on the number of consecutive terms of office a member may serve.

- 13.6 Council will ensure that persons to be appointed as Board members are mature, responsible and, wherever possible, have experience with regulatory matters or participating on boards or commissions.
- 13.7 The Board will employ the support staff and will retain the professional assistance that it is required to fulfill its mandate.
- 13.8 Board members and staff will undertake all necessary training to enable them to fulfill their respective mandates more effectively and efficiently.
- 13.9 The Board will, by majority vote, appoint one of its members as Chairperson. The Chairperson will preside over meetings of the Board and will ensure the Board follows the principles and procedures provided in this Law and the regulations.
- 13.10 Council may, for reasonable cause remove a Board member from office prior to the expiry of his or her term of office.
- 13.11 A Board member may resign from office prior to the expiry of his or her term of office by giving written notice to the Board and to the Council at least sixty (60) days prior to the date on which the resignation is to be effective.
- 13.12 In the event a Board member is removed, resigns or is unable to continue performing his or her duties for any reason, Council will appoint a new Board member within thirty (30) days or such other period of time that is necessary to ensure the Board always has three (3) appointed members;
- 13.13 Council will provide the Board an annual budget the amount of which will be adequate to ensure the Board can satisfy its duties and responsibilities under this Law.
- 13.14 Licensing fees and other amounts collected by the Board will be submitted to Council and will be used to offset the Board's annual budget.
- 13.15 Members of the Board may be remunerated for the time required to provide the services

associated with their offices, as determined by Council.

13.16 The Board will obtain, implement and maintain such software, systems, networks and databases as the Board may require to fulfill its mandate.

14. BOARD MEETINGS

14.1 For the purpose of conducting a meeting and making decisions a quorum of not less than (2) Board members must be present.

14.2 To be considered binding and enforceable, decisions of the Board must be approved by a vote of at least two (2) Board members.

14.3 The Board will meet at the call of the Chairperson or a majority of its members but in any event, will meet at least once every thirty (30) days.

14.4 Whenever possible, Board members will participate in Board meetings in person. However, with the permission of the other Board members, a Board member may participate in a meeting via telephone or other electronic means.

14.5 Notice of a Board meeting, with particulars of the agenda, will be provided to all Board members, not less than five (5) days prior to date of the meeting. The Board may in its sole discretion waive this requirement for any particular meeting.

14.6 Board meetings or portions of Board meetings may, at the sole discretion of the Chairperson, be open to the public or may be conducted *in camera*.

14.7 The Board may adopt such ~~by laws and~~operational policies as it deems appropriate for internal functions and procedures.

15. CANNABIS HEALTH & SAFETY COMMITTEE

15.1 There is established a standing committee to be known as the Cannabis Health and Safety Committee.

15.2 The Committee's members will be confirmed by Council and will include one (1)

representative, who must meet the eligibility criteria of section 13.3, selected by each of the following organizations:

- (a) Mohawk Council of Kahnawà:ke;
- (b) Kateri Memorial Hospital Centre;
- (c) Kahnawà:ke Shakotiaa'takehnhas Community Services;
- (d) Kahnawà:ke Public Safety Commissioner Unit; and
- (e) any other appropriate agency ~~within or outside the Territory~~.

15.3 The Committee will also include a Kanien'kehá:ka of Kahnawà:ke who meets the eligibility criteria of section 13.3, selected by a vote held within the Community of Kahnawà:ke.

15.43 The Committee will on a continuing basis:

- (a) monitor the impacts of this Law and the regulations on the health and safety of the ~~Mohawks of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke;
- (b) make recommendations to Council or the Board for amendments to the Law or the regulations that the Committee finds appropriate to minimize the harms of cannabis use within the Territory.

15.54 Council will provide the Committee such funding and resources as is required for the Committee to fulfill its mandate.

SECTION V

16. LICENCES

16.1 No person may conduct any commercial cannabis activity within or from the Territory without holding both an appropriate licence issued under this Law and the regulations, and an equivalent licence issued by Health Canada, where applicable.

16.2 The Board may issue a restricted number of licences in the following categories:

- (a) Standard Cultivation Licence;
- (b) Micro-cultivation Licence;
- (c) Standard Processing Licence;
- (d) Micro-processing Licence;
- (e) Distribution Licence;
- (f) Dispensary Licence; and
- (g) such other licence category that the Board may create by regulation.

16.3 A licence holder may hold a licence from more than one category.

16.4 Notwithstanding any other provision of this Law or the regulations, a Standard Cultivation Licence and a Standard Processing Licence will only be issued to an entity in which Council, or an entity created by Council on behalf of the Community of Kahnawà:ke, has an ownership interest to ensure a community-wide benefit.

16.5 A valid Standard Cultivation and Micro-Cultivation Licence will permit the licence holder to cultivate cannabis and sell the cannabis to the holder of a valid Standard Processing Licence or Micro-processing Licence.

16.6 A valid Micro-cultivation Licence will permit the licence holder to conduct small-scale cultivation of cannabis plants and to produce cannabis seeds, cannabis plants, fresh cannabis and dried cannabis for the purposes of sale to the holder of a Standard Cultivation Licence, a Standard Processing Licence, a Micro-processing Licence or for export off the Territory to a processor or retailer who holds a valid licence issued by a regulatory authority in the jurisdiction in which the product is being sold.

16.7 The holder of a Standard Cultivation Licence, a Micro-Cultivation Licence, a Standard Processing, a Micro-processing Licence or a Distribution Licence must not sell cannabis directly to a consumer.

- 16.8 A valid Distribution Licence will permit the licence holder to distribute cannabis within the Territory for the purpose of sale by the holder of a Dispensary Licence.
- 16.9 To effect distribution of cannabis outside the Territory, the holder of a Distribution Licence may also be required to obtain a licence from a regulatory authority in the jurisdiction in which the cannabis is being distributed.
- 16.10 The holder of a Distribution Licence must obtain cannabis only from the holder of a Standard Cultivation, a Micro-Cultivation Licence, a Standard Processing or a Micro-processing Licence.
- 16.11 A valid Dispensary Licence will permit the licence holder to sell cannabis to a person who has attained the prescribed legal age from a dispensary located within the Territory.
- 16.12 All licence holders must comply with the provisions of this Law, the regulations, any conditions to which the licence may be subject and all other laws, regulations and policies that are applicable within the Territory including but not limited to, the Mohawk Self-Insurance Program and the Kahnawà:ke Labour Regime.
- 16.13 All licences will be for a fixed term and may be revoked, amended, suspended or extended as the Board in its sole discretion deems appropriate.
- 16.14 A licence is not valid unless and until any licensing fees and Mandatory Community Contributions prescribed by the Board have been paid in full.
- 16.15 Licence holders will in recruiting, training and hiring employees, give preference to qualified ~~Mohawks of Kahnawà:ke~~Kanien'kehá:ka of Kahnawà:ke in all job categories particularly management positions.
- 16.16 Subject to the requirements for each licence category, the only persons eligible to apply for a licence are:

(a) a natural person who:

(i) is a ~~Mohawk of Kahnawà:ke~~Kanien'kehá:ka of Kahnawà:ke;

- (ii) has attained the full age of twenty-one (21) years old;
 - (iii) is resident within the Territory; and
 - (iv) who has no criminal conviction for an indictable offence or has received a full pardon for any such conviction.
- (b) a band-empowered entity, corporation or partnership that is wholly owned and operated by one or more natural persons each of who:
- (i) is a ~~Mohawk of Kahnawà:ke~~ Kanien'kehá:ka of Kahnawà:ke;
 - (ii) has attained the full age of twenty-one (21) years old;
 - (iii) is resident within the Territory; and
 - (iv) who has no criminal conviction for an indictable offence or has received a full pardon for any such conviction;
- (c) a band-empowered entity, corporation or partnership in which the Council and one or more other business entities share a commercial interest.

16.17 Notwithstanding the foregoing section, if the Board determines that it is appropriate from a regulatory perspective to do so, it may issue a Standard Cultivation Licence and a Standard Processing Licence to an entity that is located outside the Territory, as long as the Board is satisfied there is a benefit to the Community of Kahnawà:ke for doing so.

16.18 No person is eligible to apply for or hold a Standard Cultivation Licence, a Micro-cultivation Licence, a Standard Processing or a Micro-processing Licence, unless the facility from which operations are intended to be conducted has been inspected, certified and licensed by the health and safety authorities designated by the Board, which may include Health Canada officials.

16.19 In consultation with the Health and Safety Committee, the Board may at any time and in its sole discretion limit the number of licences that are issued in any category.

17. DISPENSARY LICENCES

17.1 The Board will not issue or continue a Dispensary Licence to a person who intends to sell cannabis from a dispensary that is located:

- (a) where the location or proposed location of the dispensary is in a building or area that is easily accessible by persons under the prescribed legal age and such other buildings or areas as may be defined in the regulations; or
- (b) where in the sole discretion of the Board the proposed location of the dispensary is likely to disturb or endanger the Community of Kahnawà:ke.

17.2 The holder of a Dispensary Licence must not sell, barter, give or exchange:

- (a) cannabis to a person who has not attained the prescribed legal age;
- (b) cannabis to any person who is not a consumer;
- (c) to any person, an amount of cannabis that exceeds the amount prescribed by the regulations; and
- (d) cannabis that is not obtained from the holder of a Distribution Licence.

SECTION VI

18. STANDARDS AND TESTING

18.1 The Board will enact regulations to establish standards and testing procedures to ensure that all cannabis cultivated, processed, distributed and sold within the Territory is consistently and reliably high-quality. For greater certainty, the Board will ensure its regulations are consistent with the standards and testing procedures promulgated by Health Canada.

18.2 The Board may engage Approved Agents, which may include representatives of Health Canada, to assist and advise the Board in relation to:

- (a) the preparation of appropriate standards to be followed by facilities that intended to be used for the purpose of cultivating or processing cannabis;
- (b) inspections and certifications of facilities, equipment and materials used by facilities for the purpose of cultivating or processing cannabis;
- (c) testing of cannabis cultivated or processed by facilities licensed under this Law and the regulations; and
- (d) the storage and handling of cannabis.

19. PACKAGING AND LABELING

19.1 It is prohibited for a licence holder to sell cannabis in a package or with a label that does not conform to the requirements of comparable requirements ~~promulgated~~ established by Health Canada.

19.2 The labeling of cannabis packages sold by a licence holder must include:

- (a) the tetrahydrocannabinol (“THC”) or cannabidiol (“CBD”) content;
- (b) a list of all ingredients, particularly if the cannabis products is edible, in the cannabis product;
- (c) a control or batch number to enable tracking of the processing completion date and location of a cannabis product; and
- (d) such other information as may be provided in the regulations.

20. PRICE CONTROLS

20.1 To preserve the economic viability of the cannabis market in the Territory, the Board will establish minimum and maximum prices for which any cannabis product can be sold:

- (a) by a cultivator and processor to a distributor or a dispensary;
- (b) by a distributor to a dispensary; and

(c) by a dispensary to a consumer.

20.2 The amounts of the prices established by the Board for cannabis products:

(a) are in the Board's sole discretion but will take into consideration the market prices of cannabis being sold off of the Territory;

(b) may be varied from time to time;

(c) will be communicated to each licence holder.

21. POINT OF SALE NON-ONKWEHÓN:WE ROYALTY

21.1 To preserve fairness in the cannabis market within and outside the Territory, when purchasing cannabis from a dispensary non-Onkwehón:we consumers must pay an additional point of sale royalty equal to a percentage of the purchase price, to be established by the Board. For greater certainty, Onkwehón:we consumers are exempt from paying the point of sale royalty.

21.2 The holder of a Dispensary Licence must:

(a) charge and collect the point of sale fee on all sales to non-Onkwehonwe consumers; and

(b) remit all point of sale fees to the Council on a monthly basis.

21.3 Council will use the amounts of point of sale fees collected under this Law to help fund underfunded projects, community initiatives and other socio-economic projects within the Territory, including drug prevention and education initiatives.

22. MANDATORY COMMUNITY CONTRIBUTIONS

22.1 Unless the Council determines that the licence is for the purpose of operating a socio-economic project, in addition to any licensing fees prescribed by the Board, licence holders must remit to the Council a mandatory community contribution, the amount and frequency of which will be determined by the Board in consultation with the Council.

- 22.2 A licence is not valid unless and until all mandatory community contributions have been paid in full.
- 22.3 Council will use the amounts of mandatory community contributions collected under this Law to help fund community initiatives within the Territory.

SECTION VII

23. REGULATIONS

- 23.1 The Board may enact such regulations it considers necessary to implement the provisions of this Law, including regulations respecting:
- (a) the creation of new categories for licences that may be issued under the regulations, which will include but not be limited to: permitted activities, prohibitions and application requirement and procedures;
 - (b) the forms to be used and processes to be followed to apply for a licence;
 - (c) background and security investigations and credential verifications of owners, directors and key persons associated with applicants and licence holders;
 - (d) background and security investigations and credential verifications of personnel, staff and companies contracted to conduct business with or on behalf of a licence holder;
 - (e) the amount of application, annual and other fees to be charged for licences;
 - (f) in consultation with Council, the amount and frequency of Mandatory Community Contribution payments;
 - (g) the days and hours during which a dispensary may operate;
 - (h) the type of cannabis products that a dispensary may sell;

- (i) the requirements to which the holder of a Micro-cultivation Licence will be subject, including but not limited to: quality assurance standards, plant count, size of growing area, total production and gross revenue;
- (j) limiting the total number of licences that will be issued;
- (k) in consultation with Council, modifying the prescribed legal age that will apply for all purposes of this Law and the regulations;
- (l) establish the maximum amount of cannabis that a dispensary can sell to a consumer within a specified period of time;
- (m) the composition, strength, concentration, potency, purity or quality or any other property of cannabis or any class or type of cannabis;
- (n) standards and testing procedures to ensure that all cannabis cultivated, processed, distributed and sold within the Territory are consistently and reliably high-quality;
- (o) eligibility requirements to apply for or hold a Standard Cultivation Licence, Micro-cultivation Licence, Standard Processing Licence, and Micro-processing Licence for the purpose of ensuring, among other things, that all facilities to be used by licence holders have been inspected, certified and licensed by the appropriate health and safety authorities;
- (p) procedures for addressing accusations that a licence holder has breached the provisions of this Law or the regulations and, if a finding of culpability is made, sanctions that may include suspending or revoking the licence and the imposition of fines up to One Hundred Thousand (\$100,000.00) Dollars per breach;
- (q) the maintenance of public order, security and the safety of persons working in, and for customers of, dispensaries;
- (r) processes and systems that cultivators, processors, distributors and

dispensaries must use to ensure that:

- (i) cannabis is safely handled and stored;
- (ii) cannabis is not sold to anyone who has not attained the prescribed legal age;
- (iii) no person can purchase an amount of cannabis that exceeds the amount prescribed by the regulations from a dispensary or a combination of all dispensaries in the Territory;
- (iv) the Board can accurately track all cannabis sold by a cultivator, processor, distributor and dispensary and the price at which the cannabis is sold;
- (v) dispensaries distinguish between sales to Onkwehón:we and non-Onkwehón:we consumers;
- (vi) the Board can accurately verify that all mandatory community contributions and all point of sale fees have been charged, collected and remitted as required by the Law;
- (s) the maximum and minimum prices that for which any cannabis product can be sold by a cultivator, processor, distributor and dispensary;
- (t) the percentage that will be used to calculate the point of sale fee required for dispensary sales to non-Onkwehón:we consumers;
- (u) the definition of “public area” for the purposes of this Law and the regulations;
- (v) the definition of buildings or areas as the phrase is used in paragraph 17.1(a) of this Law;
- (w) advertising and marketing that licence holders may or may not conduct;

- (x) packaging and labeling requirements; and
- (y) any other regulation necessarily required to achieve the purposes of this Law.

SECTION VIII

24. REVIEW

24.1 A decision by the Board may be reviewed by the Administrative Tribunal in accordance with the Kahnawà:ke Justice Act and its applicable regulations.

25. ENFORCEMENT

24.1 A breach of this Law or the regulations, if the breach is regulatory in nature, will be addressed by the Board in accordance with the procedures established by the regulations and, if a finding of culpability is made, will be sanctioned in accordance with the provisions of the regulations, which sanctions may include, but are not limited to, the imposition of a fine and the suspension, amendment or revocation of a licence.

24.2 A breach of this Law or the regulations, if the breach is criminal in nature, will be investigated by the Kahnawà:ke Peacekeepers and, where appropriate, criminal proceedings will be initiated and adjudicated in a court of competent jurisdiction.

24.3 Notwithstanding subsection 9.1 of this Law, any person under the prescribed legal age who is found to be in possession of small quantities of cannabis or using cannabis within the Territory will not be subjected to criminal proceedings under this Law or any other applicable law, but will be provided the opportunity to attend a class or program established by the Cannabis Health and Safety Committee, or by another organization identified by the Cannabis Health and Safety Committee, for the purpose of educating young persons about the risks associated with cannabis use.

SECTION IX

25. CONCLUDING MATTERS

- 25.1 If any part of this Law is found by a court of competent jurisdiction to be invalid, it may be severed and will not invalidate the Law in its entirety.
- 25.2 This Law comes into force on the day it is enacted by Resolution of the Mohawk Council of Kahnawà:ke.
- 25.3 This Law may be amended in accordance with the procedure set forth in the *Community Decision Making Process*, as amended from time to time.