

**TITLE 4: ECONOMIC RESOURCES**  
**DIVISION 5: BUSINESS REGULATION**

**§ 53037. Grounds for Refusing to Issue License.**

- (a) The Commission may not license any applicant under the provisions of this chapter if the applicant is under 21 years of age.
- (b) The Commission may refuse to license any applicant under the provisions of this chapter, or under standards developed by the appropriate regulatory body, based on considerations including, but not limited to:
- (1) That the applicant or any of its employees:
    - (i) Has made false statements to the Commission.
    - (ii) Is incompetent or physically unable to carry on the management of the establishment proposed to be licensed.
    - (iii) Did not have a good record of compliance with this chapter or any rule of the Commission adopted pursuant thereto.
    - (iv) Is not the legitimate owner of the business proposed to be licensed, or other persons have ownership interests in the business which have not been disclosed.
    - (v) Is unable to understand the laws of Commonwealth relating to marijuana or the rules of the Commission.
    - (vi) Has a demonstrated history of changing the ownership or name of a prior business so as to avoid fines, penalties, payment of judgments, or applications for renewal.
    - (vii) Is determined to be unsuitable for licensure based on any rationale the Commission, or any other regulatory body, determines, provided that determination is reasonable, articulable, nondiscriminatory, and subject to review.
  - (c) Notwithstanding subsection (b), in determining whether the Commission may refuse to license an applicant, the Commission may not consider the prior conviction of the applicant or any owner, director, officer, manager, employee, agent, or other representative of the applicant for:
    - (1) The manufacture of marijuana, if:
      - (i) The date of the conviction is more than ten years before the date of the application; and
      - (ii) The person has not been convicted more than once for the manufacture or delivery of marijuana;
    - (2) The delivery of marijuana to a person 21 years of age or older, if:
      - (i) The date of the conviction is more than ten years before the date of the application; and
      - (ii) The person has not been convicted more than once for the manufacture or delivery of marijuana; or
    - (3) The possession of marijuana.

**Source:** PL 20-66 § 2(137) (Sept. 21, 2018), modified.

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**Commission Comment:** The Commission changed “Act” to “chapter”; inserted a comma after “determines” in (b)(1)(vii); and changed “subparagraph (b) of this section” to “subsection (b)” in (c) pursuant to 1 CMC § 3806(g).