

VACANCIES. Subdivision 1. **OFFICERS, TERMS.** Except in towns operating under option A, there shall be elected in each town three supervisors as provided in this section. Where a new town has been or may be organized and supervisors have been or may be elected for such town at a town meeting prior to the annual town meeting, such supervisors shall serve only until the next annual town meeting at which meeting three supervisors shall be elected, one for three years, one for two years, and one for one year, so that the term of one shall expire each year. The number of years for which each is elected shall be indicated on the ballot. At all other annual town meetings one supervisor shall be elected for three years to fill the place of the one whose term expires at that time. Except in towns operating under either option B or option D, or both, and except as otherwise provided in this section, there shall also be elected at each annual town meeting one town clerk, one treasurer, two justices of the peace, and two constables; ~~except as otherwise provided in this section~~. Each of these officers shall hold office for a term of two years and until their successors are elected and qualified.

Sec. 2. Minnesota Statutes, 1975 Supplement, Section 367.31, Subdivision 1, is amended to read:

367.31 ADOPTION OF SPECIFIC OPTION. Subdivision 1. **SUBMISSION TO ELECTORS.** Except as provided otherwise in subdivision 2, the town board may, and upon a petition signed by electors equal in number to at least 15 percent of the electors voting at the last previous town election shall, submit to the electors at an annual town meeting the question of adopting option A, B, C, or D. ~~Only one plan shall be submitted at any one annual meeting.~~

Sec. 3. This act is effective the day following its final enactment.

Approved March 8, 1976.

CHAPTER 42—H.F.No.749

[Coded in Part]

An act relating to controlled substances; providing medical and educational intervention, evaluation, and treatment of persons in possession of small amounts of marijuana; providing penalties for possession of small amounts of marijuana; and prohibiting municipalities from enacting ordinances imposing greater civil or criminal penalties than provided by state law for the possession, sale or distribution of small amounts of marijuana; amending Minnesota Statutes 1974, Section 152.15, Subdivision 2, and by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1974, Section 152.15, Subdivision 2,

Changes or additions indicated by underline deletions by ~~strikeout~~

is amended to read:

Subd. 2. CONTROLLED SUBSTANCES; MARIJUANA; POSSESSION OF SMALL AMOUNTS. Any person who violates section 152.09, subdivision 1, clause (2), with respect to:

(1) A controlled substance classified in Schedule I or II which is a narcotic drug, is guilty of a crime and upon conviction may be imprisoned for not more than five years or fined not more than \$5,000, or both;

(2) Any other controlled substance classified in Schedule I, II, or III, except small amounts of marijuana, is guilty of a crime and upon conviction may be imprisoned for not more than three years, fined not more than \$3,000, or both;

(3) A substance classified in Schedule IV, is guilty of a crime and upon conviction may be imprisoned for not more than three years, fined not more than \$3,000, or both;

(4) A substance classified in Schedule V, is guilty of a crime and upon conviction may be imprisoned for not more than one year, fined not more than \$1,000, or both; provided, however, that any person convicted under this section of possessing a substance classified under Schedule V or a small amount of marijuana, and placed on probation may be required to take part in a drug education program as specified by the court;

(5) A small amount of marijuana is guilty of a petty misdemeanor punishable by a fine of up to \$100 and participation in a drug education program unless the court enters a written finding that such a program is inappropriate, said program being approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority. A subsequent violation of this clause within one year-two years is a misdemeanor, and a person so convicted ~~may~~ shall be required to participate in a medical-chemical dependency evaluation and treatment if so indicated by the evaluation. Upon a first conviction under this section the courts shall forward a report of said conviction to the department of public safety which shall make and maintain a private, nonpublic, record for a period not to exceed two years from the date of conviction. The private, nonpublic record shall be solely for use by the courts in determining the penalties which attach upon conviction under this section.

Additionally a person who is the owner of a private motor vehicle, or the driver of the motor vehicle if the owner is not present, and who possesses on his person or knowingly keeps or allows to be kept in a motor vehicle within the area of the vehicle normally occupied by the driver or passengers more than .05 ounce of marijuana is guilty of a misdemeanor. This area of the vehicle shall not include the trunk of the motor vehicle when such vehicle is equipped with a trunk or an-

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other area of the vehicle not normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment shall be deemed to be within the area occupied by the driver and passengers.

(6) In any case in which a defendant is convicted of a petty misdemeanor under the provisions of clause (5) and willfully and intentionally fails to comply with the sentence imposed, said defendant shall be guilty of a misdemeanor.

(7) Compliance with the terms of any sentence imposed for violation of clause (5) before conviction under clause (6) shall be an absolute defense.

Sec. 2. Minnesota Statutes 1974, Section 152.15, is amended by adding a subdivision to read:

Subd. 2a. No municipality may enact, prosecute under or otherwise enforce any ordinance or regulation applicable by its terms to the manufacture, sale, giving away, barter, delivery, exchange, distribution or possession of marijuana, which ordinance or regulation provides for the imposition of civil or criminal penalties or liabilities greater than those provided by state law for the same act, occurrence or event.

Sec. 3. [152.151] The state alcohol and drug authority shall build into the drug education program required by section 152.15, subdivision 2, proper evaluation and report directly each legislative session to the legislative standing committees having jurisdiction over the subject matter.

Sec. 4. EFFECTIVE DATE. This act is effective one month following its final enactment.

Approved March 11, 1976.

CHAPTER 43—H.F.No.945

[Coded in Part]

An act relating to employment services; unemployment compensation; excluding and exempting family farm corporation officers from certain provisions; amending Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12, and by adding a subdivision.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes, 1975 Supplement, Section 268.04, Subdivision 12, is amended to read:

Changes or additions indicated by underline deletions by ~~strikeout~~

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 73

(SENATE AUTHORS: PORT, Oumou Verbeten, Putnam, Murphy and Boldon)		
DATE	D-PG	OFFICIAL STATUS
01/09/2023	111	Introduction and first reading Referred to Judiciary and Public Safety
01/11/2023	146	Author added Boldon
01/26/2023	394a	Comm report: Amended, No recommendation, re-referred to Commerce and Consumer Protection
01/27/2023	454a	Comm report: To pass as amended and re-refer to Jobs and Economic Development
02/01/2023	549	Comm report: To pass and re-referred to State and Local Government and Veterans
02/02/2023	607	Withdrawn and re-referred to Agriculture, Broadband, and Rural Development
02/08/2023	697a	Comm report: To pass as amended and re-refer to Environment, Climate, and Legacy
	699	Rule 12.10: report of votes in committee
02/13/2023	783	Comm report: To pass and re-referred to Transportation
02/16/2023	830a	Comm report: To pass as amended and re-refer to Health and Human Services
03/01/2023	1171a	Comm report: To pass as amended and re-refer to Human Services
03/02/2023	1252a	Comm report: To pass as amended Labor
03/06/2023	1305a	Comm report: To pass as amended and re-refer to State and Local Government and Veterans
03/16/2023	1830a	Comm report: To pass as amended and re-refer to Judiciary and Public Safety
03/22/2023	2177a	Comm report: Amended, No recommendation, re-referred to Rules and Administration
04/11/2023	3648	Comm report: To pass and re-referred to Taxes
04/19/2023	5459a	Comm report: To pass as amended and re-refer to Finance HF substituted in committee HF100

1.1A bill for an act

1.2relating to cannabis; establishing the Office of Cannabis Management; establishing

1.3the Cannabis Advisory Council; requiring reports relating to cannabis use and

1.4sales; legalizing and limiting the possession and use of cannabis by adults; providing

1.5for the licensing, inspection, and regulation of cannabis businesses and hemp

1.6businesses; requiring testing of cannabis flower, cannabis products, and hemp

1.7products; requiring labeling of cannabis flower, cannabis products, and hemp

1.8products; limiting the advertisement of cannabis flower, cannabis products, hemp

1.9products, hemp businesses products, and cannabis businesses; providing for the

1.10cultivation of cannabis in private residences; transferring regulatory authority for

1.11the medical cannabis program; allowing Tribal medical cannabis program

1.12manufacturers to distribute medical cannabis to Tribal medical cannabis program

1.13patients; providing for transportation of medical cannabis by Tribal medical

1.14cannabis manufacturers; taxing the sale of adult-use cannabis; establishing grant

1.15and loan programs; amending criminal penalties; prohibiting the use or possession

1.16of cannabis flower and cannabis products on a street or highway; establishing

1.17expungement procedures for certain individuals; establishing labor standards for

1.18the use of cannabis and hemp products by employees and testing of employees;

1.19providing for the temporary regulation of certain edible cannabinoid products;

1.20providing for professional licensing protections; amending the scheduling of

1.21marijuana and tetrahydrocannabinols; classifying data; making miscellaneous

1.22cannabis-related and hemp-related changes and additions; making clarifying and

1.23technical changes; appropriating money; amending Minnesota Statutes 2022,

1.24sections 13.411, by adding a subdivision; 13.871, by adding a subdivision;

1.2516B.2975, subdivision 8; 34A.01, subdivision 4, by adding a subdivision; 97B.065,

1.26subdivision 1; 97B.066, by adding a subdivision; 144.99, subdivision 1; 151.72;

1.27152.01, by adding subdivisions; 152.02, subdivisions 2, 4; 152.021, subdivision

1.282; 152.022, subdivisions 1, 2; 152.023, subdivisions 1, 2; 152.024, subdivision 1;

1.29152.025, subdivisions 1, 2; 152.18, subdivision 1; 152.22, by adding subdivisions;

1.30152.29, subdivision 4, by adding a subdivision; 152.30; 152.32; 152.33, subdivision

1.311; 169A.03, subdivision 6; 175.45, subdivision 1; 181.938, subdivision 2; 181.950,

1.32subdivisions 2, 4, 5, 8, 13, by adding a subdivision; 181.951, subdivision 4, by

1.33adding subdivisions; 181.952, by adding a subdivision; 181.953; 181.954; 181.955;

1.34181.957, subdivision 1; 192A.555; 245C.08, subdivision 1; 256.01, subdivision

1.3518c; 256B.0625, subdivision 13d; 256D.024, subdivisions 1, 3; 256J.26,

1.36subdivisions 1, 3; 270B.12, by adding a subdivision; 273.13, subdivision 24;

1.37275.025, subdivision 2; 290.0132, subdivision 29; 290.0134, subdivision 19;

1.38297A.61, subdivision 3; 297A.67, subdivisions 2, 7; 297A.70, subdivisions 2, 4,

18; 297A.85; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 340A.412, subdivision 14; 609.135, subdivision 1; 609.2111; 609.5311, subdivision 1; 609.5314, subdivision 1; 609.5316, subdivision 2; 609A.01; 609A.03, subdivisions 5, 9; 609B.425, subdivision 2; 609B.435, subdivision 2; 624.712, by adding subdivisions; 624.713, subdivision 1; 624.714, subdivision 6; 624.7142, subdivision 1; 624.7143, by adding a subdivision; 624.7151; proposing coding for new law in Minnesota Statutes, chapters 3; 116J; 116L; 120B; 144; 152; 169A; 270C; 289A; 295; 340A; 477A; 609A; 624; proposing coding for new law as Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 34A.01, subdivision 4; 151.72; 152.027, subdivisions 3, 4; 152.21; 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8, 9, 10, 11, 12, 13, 14; 152.23; 152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, 4; 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, 7; 152.28, subdivisions 1, 2, 3; 152.29, subdivisions 1, 2, 3, 3a, 4; 152.30; 152.31; 152.32, subdivisions 1, 2, 3; 152.33, subdivisions 1, 1a, 2, 3, 4, 5, 6; 152.34; 152.35; 152.36, subdivisions 1, 1a, 2, 3, 4, 5; 152.37; Minnesota Rules, parts 4770.0100; 4770.0200; 4770.0300; 4770.0400; 4770.0500; 4770.0600; 4770.0800; 4770.0900; 4770.1000; 4770.1100; 4770.1200; 4770.1300; 4770.1400; 4770.1460; 4770.1500; 4770.1600; 4770.1700; 4770.1800; 4770.1900; 4770.2000; 4770.2100; 4770.2200; 4770.2300; 4770.2400; 4770.2700; 4770.2800; 4770.4000; 4770.4002; 4770.4003; 4770.4004; 4770.4005; 4770.4007; 4770.4008; 4770.4009; 4770.4010; 4770.4012; 4770.4013; 4770.4014; 4770.4015; 4770.4016; 4770.4017; 4770.4018; 4770.4030.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

ARTICLE 1

REGULATION OF ADULT-USE CANNABIS

Section 1. [342.01] DEFINITIONS.

Subdivision 1. **Terms.** For the purposes of this chapter, the following terms have the meanings given them.

Subd. 2. **Adult-use cannabis concentrate.** "Adult-use cannabis concentrate" means cannabis concentrate that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis concentrate does not include synthetically derived cannabinoids.

Subd. 3. **Adult-use cannabis flower.** "Adult-use cannabis flower" means cannabis flower that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis flower does not include medical cannabis flower, hemp plant parts, or hemp-derived consumer products.

Subd. 4. **Adult-use cannabis product.** "Adult-use cannabis product" means a cannabinoid product that is approved for sale by the office or is substantially similar to a product approved by the office. Adult-use cannabis product includes edible cannabis products but does not include medical cannabinoid products or lower-potency hemp edibles.

3.1 Subd. 5. **Advertisement.** "Advertisement" means any written or oral statement,
3.2 illustration, or depiction that is intended to promote sales of cannabis flower, cannabis
3.3 products, lower-potency hemp edibles, hemp-derived consumer products, or sales at a
3.4 specific cannabis business or hemp business and includes any newspaper, radio, internet
3.5 and electronic media, or television promotion; the distribution of fliers and circulars; and
3.6 the display of window and interior signs in a cannabis business. Advertisement does not
3.7 include a fixed outdoor sign that meets the requirements in section 342.63, subdivision 2,
3.8 paragraph (b).

3.9 Subd. 6. **Artificial cannabinoid.** "Artificial cannabinoid" means a substance with a
3.10 similar chemical structure and pharmacological activity to a cannabinoid but that is not
3.11 extracted or derived from cannabis plants, cannabis flower, hemp plants, or hemp plant
3.12 parts and is instead created or produced by chemical or biochemical synthesis.

3.13 Subd. 7. **Batch.** "Batch" means:

3.14 (1) a specific quantity of cannabis plants that are cultivated from the same seed or plant
3.15 stock, are cultivated together, are intended to be harvested together, and receive an identical
3.16 propagation and cultivation treatment;

3.17 (2) a specific quantity of cannabis flower that is harvested together; is uniform and
3.18 intended to meet specifications for identity, strength, purity, and composition; and receives
3.19 identical sorting, drying, curing, and storage treatment; or

3.20 (3) a specific quantity of a specific cannabis product, lower-potency hemp edible,
3.21 synthetically derived cannabinoid, hemp-derived consumer product, or hemp-derived topical
3.22 product that is manufactured at the same time and using the same methods, equipment, and
3.23 ingredients that are uniform and intended to meet specifications for identity, strength, purity,
3.24 and composition and that is manufactured, packaged, and labeled according to a single batch
3.25 production record executed and documented during the same cycle of manufacture and
3.26 produced by a continuous process.

3.27 Subd. 8. **Batch number.** "Batch number" means a unique numeric or alphanumeric
3.28 identifier assigned to a batch of cannabis flower or a batch of cannabis plants, cannabis
3.29 products, lower-potency hemp edibles, synthetically derived cannabinoid, hemp-derived
3.30 consumer products, or hemp-derived topical products.

3.31 Subd. 9. **Bona fide labor organization.** "Bona fide labor organization" means a labor
3.32 union that represents or is actively seeking to represent cannabis workers.

4.1 Subd. 10. **Cannabinoid.** "Cannabinoid" means any of the chemical constituents of hemp
4.2 plants or cannabis plants that are naturally occurring, biologically active, and act on the
4.3 cannabinoid receptors of the brain. Cannabinoid includes but is not limited to
4.4 tetrahydrocannabinol and cannabidiol.

4.5 Subd. 11. **Cannabinoid extraction.** "Cannabinoid extraction" means the process of
4.6 extracting cannabis concentrate from cannabis plants or cannabis flower using water, lipids,
4.7 gases, solvents, or other chemicals or chemical processes, but does not include the process
4.8 of extracting concentrate from hemp plants or hemp plant parts or the process of creating
4.9 synthetically derived cannabinoids.

4.10 Subd. 12. **Cannabinoid profile.** "Cannabinoid profile" means the amounts of each
4.11 cannabinoid that the office requires to be identified in testing and labeling, including but
4.12 not limited to delta-9 tetrahydrocannabinol, tetrahydrocannabinolic acid, cannabidiol,
4.13 cannabidiolic acid in cannabis flower, a cannabinoid product, a batch of synthetically derived
4.14 cannabinoid, or a hemp-derived consumer product, expressed as percentages measured by
4.15 weight and, in the case of cannabinoid products and hemp-derived consumer products,
4.16 expressed as milligrams in each serving and package.

4.17 Subd. 13. **Cannabis business.** "Cannabis business" means any of the following licensed
4.18 under this chapter:

4.19 (1) cannabis microbusiness;

4.20 (2) cannabis mezzobusiness;

4.21 (3) cannabis cultivator;

4.22 (4) cannabis manufacturer;

4.23 (5) cannabis retailer;

4.24 (6) cannabis wholesaler;

4.25 (7) cannabis transporter;

4.26 (8) cannabis testing facility;

4.27 (9) cannabis event organizer;

4.28 (10) cannabis delivery service;

4.29 (11) medical cannabis cultivator;

4.30 (12) medical cannabis processor; and

4.31 (13) medical cannabis retailer.

5.1 Subd. 14. **Cannabis concentrate.** (a) "Cannabis concentrate" means:

5.2 (1) the extracts and resins of a cannabis plant or cannabis flower;

5.3 (2) the extracts or resins of a cannabis plant or cannabis flower that are refined to increase
5.4 the presence of targeted cannabinoids; or

5.5 (3) a product that is produced by refining extracts or resins of a cannabis plant or cannabis
5.6 flower and is intended to be consumed by combustion or vaporization of the product and
5.7 inhalation of smoke, aerosol, or vapor from the product.

5.8 (b) Cannabis concentrate does not include industrial hemp, synthetically derived
5.9 cannabinoids, or hemp-derived consumer products.

5.10 Subd. 15. **Cannabis flower.** "Cannabis flower" means the harvested flower, bud, leaves,
5.11 and stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower and
5.12 medical cannabis flower. Cannabis flower does not include cannabis seed, hemp plant parts,
5.13 or hemp-derived consumer products.

5.14 Subd. 16. **Cannabis industry.** "Cannabis industry" means every item, product, person,
5.15 process, action, business, or other thing related to cannabis flower and cannabis products
5.16 and subject to regulation under this chapter.

5.17 Subd. 17. **Cannabis paraphernalia.** "Cannabis paraphernalia" means all equipment,
5.18 products, and materials of any kind that are knowingly or intentionally used primarily in:

5.19 (1) manufacturing cannabinoid products;

5.20 (2) ingesting, inhaling, or otherwise introducing cannabis flower or cannabis products
5.21 into the human body; and

5.22 (3) testing the strength, effectiveness, or purity of cannabis flower, cannabis products,
5.23 lower-potency hemp edibles, or hemp-derived consumer products.

5.24 Subd. 18. **Cannabis plant.** "Cannabis plant" means all parts of the plant of the genus
5.25 Cannabis that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol
5.26 concentration of more than 0.3 percent on a dry weight basis.

5.27 Subd. 19. **Cannabis product.** (a) "Cannabis product" means any of the following:

5.28 (1) cannabis concentrate;

5.29 (2) a product infused with cannabinoids, including but not limited to tetrahydrocannabinol,
5.30 extracted or derived from cannabis plants or cannabis flower; or

5.31 (3) any other product that contains cannabis concentrate.

6.1 (b) Cannabis product includes adult-use cannabis products and medical cannabinoid
6.2 products. Cannabis product does not include cannabis flower, synthetically derived
6.3 cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, or
6.4 hemp-derived topical products.

6.5 Subd. 20. **Cannabis prohibition.** "Cannabis prohibition" means the system of state and
6.6 federal laws that prevented establishment of a legal market and instead established petty
6.7 offenses and criminal offenses punishable by fines, imprisonment, or both for the cultivation,
6.8 possession, and sale of all parts of the plant of any species of the genus Cannabis, including
6.9 all agronomical varieties, whether growing or not; the seeds thereof; the resin extracted
6.10 from any part of such plant; and every compound, manufacture, salt, derivative, mixture,
6.11 or preparation of such plant, its seeds, or resin.

6.12 Subd. 21. **Cannabis seed.** "Cannabis seed" means the viable seed of the plant of the
6.13 genus Cannabis that is reasonably expected to grow into a cannabis plant. Cannabis seed
6.14 does not include hemp seed.

6.15 Subd. 22. **Cannabis worker.** "Cannabis worker" means any individual employed by a
6.16 cannabis business and any individual who is a contractor of a cannabis business whose
6.17 scope of work involves the handling of cannabis plants, cannabis flower, synthetically
6.18 derived cannabinoids, or cannabis products.

6.19 Subd. 23. **Child-resistant.** "Child-resistant" means packaging that meets the poison
6.20 prevention packaging standards in Code of Federal Regulations, title 16, section 1700.15.

6.21 Subd. 24. **Cooperative.** "Cooperative" means an association conducting business on a
6.22 cooperative plan that is organized or is subject to chapter 308A or 308B.

6.23 Subd. 25. **Council.** "Council" means the Cannabis Advisory Council.

6.24 Subd. 26. **Cultivation.** "Cultivation" means any activity involving the planting, growing,
6.25 harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp
6.26 plants, or hemp plant parts.

6.27 Subd. 27. **Division of Medical Cannabis.** "Division of Medical Cannabis" means a
6.28 division housed in the Office of Cannabis Management that operates the medical cannabis
6.29 program.

6.30 Subd. 28. **Division of Social Equity** "Division of Social Equity" means a division housed
6.31 in the Office of Cannabis Management that promotes development, stability, and safety in
6.32 communities that have experienced a disproportionate, negative impact from cannabis
6.33 prohibition and usage.

7.1 Subd. 29. **Edible cannabis product.** "Edible cannabis product" means any product that
7.2 is intended to be eaten or consumed as a beverage by humans; contains a cannabinoid,
7.3 including a synthetically derived cannabinoid, in combination with food ingredients; is not
7.4 a drug; and is a type of product approved for sale by the office, or is substantially similar
7.5 to a product approved by the office including but not limited to products that resemble
7.6 nonalcoholic beverages, candy, and baked goods. Edible cannabis product does not include
7.7 lower-potency hemp edibles.

7.8 Subd. 30. **Health care practitioner.** "Health care practitioner" means a
7.9 Minnesota-licensed doctor of medicine, a Minnesota-licensed physician assistant acting
7.10 within the scope of authorized practice, or a Minnesota-licensed advanced practice registered
7.11 nurse who has the primary responsibility for the care and treatment of the qualifying medical
7.12 condition of an individual diagnosed with a qualifying medical condition.

7.13 Subd. 31. **Health record.** "Health record" has the meaning given in section 144.291,
7.14 subdivision 2.

7.15 Subd. 32. **Hemp business.** (a) "Hemp business" means either of the following licensed
7.16 under this chapter:

7.17 (1) lower-potency hemp edible manufacturer; or

7.18 (2) lower-potency hemp edible retailer.

7.19 (b) Hemp business does not include a person or entity licensed under chapter 18K to
7.20 grow industrial hemp for commercial or research purposes or to process industrial hemp
7.21 for commercial purposes.

7.22 Subd. 33. **Hemp concentrate.** (a) "Hemp concentrate" means:

7.23 (1) the extracts and resins of a hemp plant or hemp plant parts;

7.24 (2) the extracts or resins of a hemp plant or hemp plant parts that are refined to increase
7.25 the presence of targeted cannabinoids; or

7.26 (3) a product that is produced by refining extracts or resins of a hemp plant or hemp
7.27 plant parts and is intended to be consumed by combustion or vaporization of the product
7.28 and inhalation of smoke, aerosol, or vapor from the product.

7.29 (b) Hemp concentrate does not include synthetically derived cannabinoids, lower-potency
7.30 hemp edibles, hemp-derived consumer products, or hemp-derived topical products.

7.31 Subd. 34. **Hemp consumer industry.** "Hemp consumer industry" means every item,
7.32 product, person, process, action, business, or other thing related to synthetically derived

8.1 cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products subject
8.2 to regulation under this chapter.

8.3 Subd. 35. **Hemp-derived consumer product.** (a) "Hemp-derived consumer product"
8.4 means a product intended for human or animal consumption that does not contain cannabis
8.5 flower or cannabis concentrate, and:

8.6 (1) contains or consists of hemp plant parts; or

8.7 (2) contains hemp concentrate or synthetically derived cannabinoids in combination
8.8 with other ingredients.

8.9 (b) Hemp-derived consumer product does not include synthetically derived cannabinoids,
8.10 lower-potency hemp edibles, hemp-derived topical products, hemp fiber products, or hemp
8.11 grain.

8.12 Subd. 36. **Hemp-derived topical product.** "Hemp-derived topical product" means a
8.13 product intended for human or animal consumption that contains hemp concentrate, is
8.14 intended for application externally to a part of the body of a human or animal, and does not
8.15 contain cannabis flower or cannabis concentrate.

8.16 Subd. 37. **Hemp fiber product.** "Hemp fiber product" means an intermediate or finished
8.17 product made from the fiber of hemp plant parts that is not intended for human or animal
8.18 consumption. Hemp fiber product includes but is not limited to cordage, paper, fuel, textiles,
8.19 bedding, insulation, construction materials, compost materials, and industrial materials.

8.20 Subd. 38. **Hemp grain.** "Hemp grain" means the harvested seeds of the hemp plant
8.21 intended for consumption as a food or part of a food product. Hemp grain includes oils
8.22 pressed or extracted from harvested hemp seeds.

8.23 Subd. 39. **Hemp plant.** "Hemp plant" means all parts of the plant of the genus Cannabis
8.24 that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol
8.25 concentration of no more than 0.3 percent on a dry weight basis.

8.26 Subd. 40. **Hemp plant parts.** "Hemp plant parts" means any part of the harvested hemp
8.27 plant, including the flower, bud, leaves, stems, and stalk, but does not include derivatives,
8.28 extracts, cannabinoids, isomers, acids, salts, and salts of isomers that are separated from
8.29 the plant. Hemp plant parts does not include hemp fiber products, hemp grain, or hemp
8.30 seed.

8.31 Subd. 41. **Hemp seed.** "Hemp seed" means the viable seed of the plant of the genus
8.32 Cannabis that is intended to be planted and is reasonably expected to grow into a hemp
8.33 plant. Hemp seed does not include cannabis seed or hemp grain.

9.1 Subd. 42. **Hemp worker.** "Hemp worker" means any individual employed by a hemp
9.2 business and any individual who is a contractor of a hemp business whose scope of work
9.3 involves the handling of synthetically derived cannabinoids, hemp concentrate, lower-potency
9.4 hemp edibles, or hemp-derived consumer products.

9.5 Subd. 43. **Indian lands.** "Indian lands" means all lands within the limits of any Indian
9.6 reservation within the boundaries of Minnesota and any lands within the boundaries of
9.7 Minnesota title to which are either held in trust by the United States or over which an Indian
9.8 Tribe exercises governmental power.

9.9 Subd. 44. **Industrial hemp.** "Industrial hemp" has the meaning given in section 18K.02,
9.10 subdivision 3.

9.11 Subd. 45. **Intoxicating cannabinoid.** "Intoxicating cannabinoid" means a cannabinoid,
9.12 including a synthetically derived cannabinoid, that when introduced into the human body
9.13 impairs the central nervous system or impairs the human audio, visual, or mental processes.
9.14 Intoxicating cannabinoid includes but is not limited to any tetrahydrocannabinol.

9.15 Subd. 46. **Labor peace agreement.** "Labor peace agreement" means an agreement
9.16 between a cannabis business and a bona fide labor organization that protects the state's
9.17 interests by, at minimum, prohibiting the labor organization from engaging in picketing,
9.18 work stoppages, or boycotts against the cannabis business. This type of agreement shall not
9.19 mandate a particular method of election or certification of the bona fide labor organization.

9.20 Subd. 47. **License holder.** "License holder" means a person, cooperative, or business
9.21 that holds any of the following licenses:

9.22 (1) cannabis microbusiness;

9.23 (2) cannabis mezzobusiness;

9.24 (3) cannabis cultivator;

9.25 (4) cannabis manufacturer;

9.26 (5) cannabis retailer;

9.27 (6) cannabis wholesaler;

9.28 (7) cannabis transporter;

9.29 (8) cannabis testing facility;

9.30 (9) cannabis event organizer;

9.31 (10) cannabis delivery service;

10.1 (11) lower-potency hemp edible manufacturer;

10.2 (12) lower-potency hemp edible retailer;

10.3 (13) medical cannabis cultivator;

10.4 (14) medical cannabis processor; or

10.5 (15) medical cannabis retailer.

10.6 Subd. 48. **Local unit of government.** "Local unit of government" means a home rule
10.7 charter or statutory city, county, town, or other political subdivision.

10.8 Subd. 49. **Lower-potency hemp edible.** "Lower-potency hemp edible" means any
10.9 product that:

10.10 (1) is intended to be eaten or consumed as a beverage by humans;

10.11 (2) contains hemp concentrate or a synthetically derived cannabinoid, in combination
10.12 with food ingredients;

10.13 (3) is not a drug;

10.14 (4) consists of servings that contain no more than five milligrams of delta-9
10.15 tetrahydrocannabinol, 25 milligrams of cannabidiol, 25 milligrams of cannabigerol, or any
10.16 combination of those cannabinoids that does not exceed the identified amounts;

10.17 (5) does not contain more than a combined total of 0.5 milligrams of all other
10.18 cannabinoids per serving;

10.19 (6) does not contain a cannabinoid derived from cannabis plants or cannabis flower; and

10.20 (7) is a type of product approved for sale by the office or is substantially similar to a
10.21 product approved by the office, including but not limited to products that resemble
10.22 nonalcoholic beverages, candy, and baked goods.

10.23 Subd. 50. **Matrix barcode.** "Matrix barcode" means a code that stores data in a
10.24 two-dimensional array of geometrically shaped dark and light cells capable of being read
10.25 by the camera on a smartphone or other mobile device.

10.26 Subd. 51. **Medical cannabinoid product.** (a) "Medical cannabinoid product" means a
10.27 product that:

10.28 (1) consists of or contains cannabis concentrate or hemp concentrate or is infused with
10.29 cannabinoids, including but not limited to synthetically derived cannabinoids; and

11.1 (2) is provided to a patient enrolled in the registry program; a registered designated
11.2 caregiver; or a parent, legal guardian, or spouse of an enrolled patient, by a cannabis retailer
11.3 or medical cannabis retailer to treat or alleviate the symptoms of a qualifying medical
11.4 condition.

11.5 (b) A medical cannabinoid product must be in the form of:

11.6 (1) liquid, including but not limited to oil;

11.7 (2) pill;

11.8 (3) liquid or oil for use with a vaporized delivery method;

11.9 (4) water-soluble cannabinoid multiparticulate, including granules, powder, and sprinkles;

11.10 (5) orally dissolvable product, including lozenges, gum, mints, buccal tablets, and
11.11 sublingual tablets;

11.12 (6) edible products in the form of gummies and chews;

11.13 (7) topical formulation; or

11.14 (8) any allowable form or delivery method approved by the office.

11.15 (c) Medical cannabinoid product does not include adult-use cannabis products.

11.16 Subd. 52. **Medical cannabis business.** "Medical cannabis business" means an entity
11.17 licensed under this chapter to engage in one or more of the following:

11.18 (1) the cultivation of cannabis plants for medical cannabis flower;

11.19 (2) the manufacture of medical cannabinoid products; and

11.20 (3) the retail sale of medical cannabis flower and medical cannabinoid products.

11.21 Subd. 53. **Medical cannabis flower.** "Medical cannabis flower" means cannabis flower
11.22 provided to a patient enrolled in the registry program; a registered designated caregiver; or
11.23 a parent, legal guardian, or spouse of an enrolled patient by a cannabis retailer or medical
11.24 cannabis business to treat or alleviate the symptoms of a qualifying medical condition.
11.25 Medical cannabis flower does not include adult-use cannabis flower or hemp-derived
11.26 consumer products.

11.27 Subd. 54. **Medical cannabis paraphernalia.** "Medical cannabis paraphernalia" means
11.28 a delivery device, related supply, or educational material used by a patient enrolled in the
11.29 registry program to administer medical cannabis and medical cannabinoid products.

12.1 Subd. 55. **Nonintoxicating cannabinoid.** "Nonintoxicating cannabinoid" means a
12.2 cannabinoid that when introduced into the human body does not impair the central nervous
12.3 system and does not impair the human audio, visual, or mental processes. Nonintoxicating
12.4 cannabinoid includes but is not limited to cannabidiol and cannabigerol but does not include
12.5 any synthetically derived cannabinoid.

12.6 Subd. 56. **Office.** "Office" means the Office of Cannabis Management.

12.7 Subd. 57. **Outdoor advertisement.** "Outdoor advertisement" means an advertisement
12.8 that is located outdoors or can be seen or heard by an individual who is outdoors and includes
12.9 billboards; advertisements on benches; advertisements at transit stations or transit shelters;
12.10 advertisements on the exterior or interior of buses, taxis, light rail transit, or business vehicles;
12.11 and print signs that do not meet the requirements in section 342.63, subdivision 2, paragraph
12.12 (b), but that are placed or located on the exterior property of a cannabis business or hemp
12.13 business.

12.14 Subd. 58. **Patient.** "Patient" means a Minnesota resident who has been diagnosed with
12.15 a qualifying medical condition by a health care practitioner and who has met all other
12.16 requirements for patients under this chapter to participate in the registry program.

12.17 Subd. 59. **Patient registry number.** "Patient registry number" means a unique
12.18 identification number assigned by the Division of Medical Cannabis to a patient enrolled
12.19 in the registry program.

12.20 Subd. 60. **Plant canopy.** "Plant canopy" means the total surface area within a licensed
12.21 cultivation facility that is used at any time to cultivate mature, flowering cannabis plants.
12.22 Calculation of the area of the plant canopy does not include the surface area within the
12.23 licensed cultivation facility that is used to cultivate immature cannabis plants and seedlings.

12.24 Subd. 61. **Qualifying medical condition.** "Qualifying medical condition" means a
12.25 diagnosis of any of the following conditions:

12.26 (1) Alzheimer's disease;

12.27 (2) autism spectrum disorder that meets the requirements of the fifth edition of the
12.28 Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric
12.29 Association;

12.30 (3) cancer;

12.31 (4) chronic motor or vocal tic disorder;

12.32 (5) chronic pain;

- 13.1 (6) glaucoma;
- 13.2 (7) human immunodeficiency virus or acquired immune deficiency syndrome;
- 13.3 (8) intractable pain as defined in section 152.125, subdivision 1, paragraph (c);
- 13.4 (9) obstructive sleep apnea;
- 13.5 (10) post-traumatic stress disorder;
- 13.6 (11) Tourette's syndrome;
- 13.7 (12) amyotrophic lateral sclerosis;
- 13.8 (13) seizures, including those characteristic of epilepsy;
- 13.9 (14) severe and persistent muscle spasms, including those characteristic of multiple
- 13.10 sclerosis;
- 13.11 (15) inflammatory bowel disease, including Crohn's disease;
- 13.12 (16) irritable bowel syndrome;
- 13.13 (17) obsessive-compulsive disorder;
- 13.14 (18) sickle cell disease;
- 13.15 (19) terminal illness; or
- 13.16 (20) any other medical condition or its treatment approved by the office.
- 13.17 Subd. 62. **Registered designated caregiver.** "Registered designated caregiver" means
- 13.18 an individual who:
- 13.19 (1) is at least 18 years old;
- 13.20 (2) is not disqualified for a criminal offense according to section 342.19, subdivision 2;
- 13.21 (3) has been approved by the Division of Medical Cannabis to assist a patient with
- 13.22 obtaining medical cannabis flower and medical cannabinoid products from a cannabis
- 13.23 retailer or medical cannabis retailer and with administering medical cannabis flower and
- 13.24 medical cannabinoid products; and
- 13.25 (4) is authorized by the Division of Medical Cannabis to assist a patient with the use of
- 13.26 medical cannabis flower and medical cannabinoid products.
- 13.27 Subd. 63. **Registry or registry program.** "Registry" or "registry program" means the
- 13.28 patient registry established under this chapter listing patients authorized to obtain medical
- 13.29 cannabis flower, medical cannabinoid products, and medical cannabis paraphernalia from

14.1 cannabis retailers and medical cannabis retailers and administer medical cannabis flower
14.2 and medical cannabinoid products.

14.3 Subd. 64. **Registry verification.** "Registry verification" means the verification provided
14.4 by the Division of Medical Cannabis that a patient is enrolled in the registry program and
14.5 that includes the patient's name, patient registry number, and, if applicable, the name of the
14.6 patient's registered designated caregiver or parent, legal guardian, or spouse.

14.7 Subd. 65. **Restricted area.** "Restricted area" means an area where cannabis flower or
14.8 cannabis products are cultivated, manufactured, or stored by a cannabis business.

14.9 Subd. 66. **Statewide monitoring system.** "Statewide monitoring system" means the
14.10 system for integrated cannabis tracking, inventory, and verification established or adopted
14.11 by the office.

14.12 Subd. 67. **Synthetically derived cannabinoid.** "Synthetically derived cannabinoid"
14.13 means a cannabinoid extracted from a cannabis plant, cannabis flower, hemp plant, or hemp
14.14 plant parts with a chemical makeup that is changed after extraction to create a different
14.15 cannabinoid or other chemical compound by applying a catalyst other than heat or light.
14.16 Synthetically derived cannabinoid includes but is not limited to any tetrahydrocannabinol
14.17 created from cannabidiol but does not include cannabis concentrate, cannabinoid products,
14.18 or hemp-derived consumer products.

14.19 Subd. 68. **Tribal medical cannabis board.** "Tribal medical cannabis board" means an
14.20 agency established by each federally recognized Tribal government and duly authorized by
14.21 that Tribe's governing body to perform regulatory oversight and monitor compliance with
14.22 a Tribal medical cannabis program and applicable regulations.

14.23 Subd. 69. **Tribal medical cannabis program.** "Tribal medical cannabis program" means
14.24 a program established by a federally recognized Tribal government within the boundaries
14.25 of Minnesota regarding the commercial production, processing, sale or distribution, and
14.26 possession of medical cannabis and medical cannabis products.

14.27 Subd. 70. **Tribal medical cannabis program manufacturer.** "Tribal medical cannabis
14.28 program manufacturer" means an entity designated by a Tribal medical cannabis board
14.29 within the boundaries of Minnesota or a federally recognized Tribal government within the
14.30 boundaries of Minnesota to engage in production, processing, and sale or distribution of
14.31 medical cannabis and medical cannabis products under that Tribe's Tribal medical cannabis
14.32 program.

15.1 Subd. 71. **Tribal medical cannabis program patient.** "Tribal medical cannabis program
15.2 patient" means a person who possesses a valid registration verification card or equivalent
15.3 document that is issued under the laws or regulations of a Tribal nation within the boundaries
15.4 of Minnesota and that verifies that the person is enrolled in or authorized to participate in
15.5 that Tribal nation's Tribal medical cannabis program.

15.6 Subd. 72. **Veteran.** "Veteran" means an individual who satisfies the requirements in
15.7 section 197.447.

15.8 Subd. 73. **Visiting designated caregiver.** "Visiting designated caregiver" means an
15.9 individual who is authorized under a visiting patient's jurisdiction of residence to assist the
15.10 visiting patient with the use of medical cannabis flower and medical cannabinoid products.
15.11 To be considered a visiting designated caregiver, the individual must possess a valid
15.12 verification card or its equivalent that is issued by the visiting patient's jurisdiction of
15.13 residence and that verifies that the individual is authorized to assist the visiting patient with
15.14 the administration of medical cannabis flower and medical cannabinoid products under the
15.15 laws or regulations of the visiting patient's jurisdiction of residence.

15.16 Subd. 74. **Visiting patient.** "Visiting patient" means an individual who is not a Minnesota
15.17 resident and who possesses a valid registration verification card or its equivalent that is
15.18 issued under the laws or regulations of another state, district, commonwealth, or territory
15.19 of the United States verifying that the individual is enrolled in or authorized to participate
15.20 in that jurisdiction's medical cannabis or medical marijuana program.

15.21 Subd. 75. **Volatile solvent.** "Volatile solvent" means any solvent that is or produces a
15.22 flammable gas or vapor that, when present in the air in sufficient quantities, will create
15.23 explosive or ignitable mixtures. Volatile solvent includes but is not limited to butane, hexane,
15.24 and propane.

15.25 Sec. 2. **[342.02] OFFICE OF CANNABIS MANAGEMENT.**

15.26 Subdivision 1. **Establishment.** The Office of Cannabis Management is created with the
15.27 powers and duties established by law. In making rules, establishing policy, and exercising
15.28 its regulatory authority over the cannabis industry and hemp consumer industry, the office
15.29 must:

15.30 (1) promote the public health and welfare;

15.31 (2) protect public safety;

15.32 (3) eliminate the illicit market for cannabis flower and cannabis products;

16.1 (4) meet the market demand for cannabis flower and cannabis products;

16.2 (5) promote a craft industry for cannabis flower and cannabis products; and

16.3 (6) prioritize growth and recovery in communities that have experienced a
16.4 disproportionate, negative impact from cannabis prohibition.

16.5 Subd. 2. **Powers and duties.** The office has the following powers and duties:

16.6 (1) to develop, maintain, and enforce an organized system of regulation for the cannabis
16.7 industry and hemp consumer industry;

16.8 (2) to establish programming, services, and notification to protect, maintain, and improve
16.9 the health of citizens;

16.10 (3) to prevent unauthorized access to adult-use cannabis flower, adult-use cannabis
16.11 products, lower-potency hemp edibles, and hemp-derived consumer products by individuals
16.12 under 21 years of age;

16.13 (4) to establish and regularly update standards for product testing, packaging, and labeling,
16.14 including requirements for an expiration, sell-by, or best-used-by date;

16.15 (5) to promote economic growth with an emphasis on growth in areas that experienced
16.16 a disproportionate, negative impact from cannabis prohibition;

16.17 (6) to issue and renew licenses;

16.18 (7) to require fingerprints from individuals determined to be subject to fingerprinting,
16.19 including the submission of fingerprints to the Federal Bureau of Investigation where
16.20 required by law and to obtain criminal conviction data for individuals seeking a license
16.21 from the office on the individual's behalf or as a cooperative member or director, manager,
16.22 or general partner of a business entity;

16.23 (8) to receive reports required by this chapter and inspect the premises, records, books,
16.24 and other documents of license holders to ensure compliance with all applicable laws and
16.25 rules;

16.26 (9) to authorize the use of unmarked motor vehicles to conduct seizures or investigations
16.27 pursuant to the office's authority;

16.28 (10) to impose and collect civil and administrative penalties as provided in this chapter;

16.29 (11) to publish such information as may be deemed necessary for the welfare of cannabis
16.30 businesses, cannabis workers, hemp businesses, and hemp workers and the health and safety
16.31 of citizens;

17.1 (12) to make loans and grants in aid to the extent that appropriations are made available
17.2 for that purpose;

17.3 (13) to authorize research and studies on cannabis flower, cannabis products, synthetically
17.4 derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, the
17.5 cannabis industry, and the hemp consumer industry;

17.6 (14) to provide reports as required by law;

17.7 (15) to develop a warning label regarding the effects of the use of cannabis flower and
17.8 cannabis products by persons 25 years of age or younger;

17.9 (16) to establish limits on the potency of adult-use cannabis flower and adult-use cannabis
17.10 products that can be sold to customers by licensed cannabis retailers, licensed cannabis
17.11 microbusinesses, and licensed cannabis mezzobusinesses with an endorsement to sell
17.12 adult-use cannabis flower and adult-use cannabis products to customers;

17.13 (17) to permit, upon application to the office in the form prescribed by the director of
17.14 the office, a licensee under this chapter to perform any activity if such permission is
17.15 substantially necessary for the licensee to perform any other activity permitted by the
17.16 applicant's license and is not otherwise prohibited by law;

17.17 (18) to remove, upon application to the office in the form prescribed by the director of
17.18 the office, any obligation of a licensee under this chapter if such removal is substantially
17.19 necessary for the licensee to perform any activity permitted by the applicant's license and
17.20 is not otherwise prohibited by law; and

17.21 (19) to exercise other powers and authority and perform other duties required by law.

17.22 Subd. 3. **Medical cannabis program.** (a) The powers and duties of the Department of
17.23 Health with respect to the medical cannabis program under Minnesota Statutes 2022, sections
17.24 152.22 to 152.37, are transferred to the Office of Cannabis Management under section
17.25 15.039.

17.26 (b) State employees shall not be displaced by the transfer of duties from the Department
17.27 of Health medical cannabis program to the Office of Cannabis Management under this
17.28 subdivision. Any employees transferred under this section to the Office of Cannabis
17.29 Management shall retain their current seniority and benefit accrual rates.

17.30 Subd. 4. **Interagency agreements.** (a) The office and the commissioner of agriculture
17.31 shall enter into interagency agreements to ensure that edible cannabis products and
17.32 lower-potency hemp edibles are handled, manufactured, and inspected in a manner that is

18.1 consistent with the relevant food safety requirements in chapters 28A, 31, and 34A and
18.2 associated rules.

18.3 (b) The office may cooperate and enter into other agreements with the commissioner of
18.4 agriculture and may cooperate and enter into agreements with the commissioners and
18.5 directors of other state agencies and departments to promote the beneficial interests of the
18.6 state.

18.7 Subd. 5. **Rulemaking.** The office may adopt rules to implement any provisions in this
18.8 chapter. Rules for which notice is published in the State Register before July 1, 2025, may
18.9 be adopted using the expedited rulemaking process in section 14.389.

18.10 Subd. 6. **Director.** (a) The governor shall appoint a director of the office with the advice
18.11 and consent of the senate. The director must be in the unclassified service and must serve
18.12 at the pleasure of the governor.

18.13 (b) The salary of the director must not exceed the salary limit established under section
18.14 15A.0815, subdivision 3.

18.15 (c) While serving as the director and within two years after terminating service, the
18.16 director is prohibited from having a direct or an indirect financial interest in a cannabis
18.17 business or hemp business licensed under this chapter.

18.18 (d) A person who has served in the legislature or in statewide office is not eligible to be
18.19 appointed to the position of director until five years after the end of the person's term in the
18.20 legislature or statewide office.

18.21 Subd. 7. **Employees.** (a) The office may employ other personnel in the classified service
18.22 necessary to carry out the duties in this chapter.

18.23 (b) A prospective employee of the office must submit a completed criminal history
18.24 records check consent form, a full set of classifiable fingerprints, and the required fees to
18.25 the office. Upon receipt of this information, the office must submit the completed criminal
18.26 history records check consent form, full set of classifiable fingerprints, and required fees
18.27 to the Bureau of Criminal Apprehension. After receiving this information, the bureau must
18.28 conduct a Minnesota criminal history records check of the prospective employee. The bureau
18.29 may exchange a prospective employee's fingerprints with the Federal Bureau of Investigation
18.30 to obtain the prospective employee's national criminal history record information. The
18.31 bureau must return the results of the Minnesota and federal criminal history records checks
18.32 to the director to determine if the prospective employee is disqualified under section 342.19.

(c) While employed by the office and within two years after terminating employment, an employee may not have a direct or an indirect financial interest in a cannabis business licensed under this chapter or a recipient of a grant under this chapter.

Subd. 8. **Division of Social Equity.** The office must establish a Division of Social Equity. At a minimum, the division must:

(1) administer grants to communities that experienced a disproportionate, negative impact from cannabis prohibition and usage in order to promote economic development, provide services to prevent violence, support early intervention programs for youth and families, and promote community stability and safety;

(2) act as an ombudsperson for the office to provide information, investigate complaints under this chapter, and provide or facilitate dispute resolutions; and

(3) report to the office on the status of complaints and social equity in the cannabis industry.

Subd. 9. **Compliance with federal law.** Nothing in this chapter shall be construed to allow cannabis to be transported outside of the state unless explicitly authorized by federal law.

EFFECTIVE DATE. This section is effective July 1, 2023, except for subdivision 3, which is effective January 1, 2024.

Sec. 3. **[342.03] CANNABIS ADVISORY COUNCIL.**

Subdivision 1. **Membership.** (a) The Cannabis Advisory Council is created consisting of the following members:

(1) the director of the Office of Cannabis Management or a designee;

(2) the commissioner of employment and economic development or a designee;

(3) the commissioner of revenue or a designee;

(4) the commissioner of health or a designee;

(5) the commissioner of human services or a designee;

(6) the commissioner of public safety or a designee;

(7) the commissioner of human rights or a designee;

(8) the commissioner of labor or a designee;

(9) the commissioner of agriculture or a designee;

- 20.1 (10) the commissioner of the Pollution Control Agency or a designee;
- 20.2 (11) the superintendent of the Bureau of Criminal Apprehension or a designee;
- 20.3 (12) the colonel of the State Patrol or a designee;
- 20.4 (13) the director of the Office of Traffic Safety in the Department of Public Safety or a
20.5 designee;
- 20.6 (14) a representative from the League of Minnesota Cities appointed by the league;
- 20.7 (15) a representative from the Association of Minnesota Counties appointed by the
20.8 association;
- 20.9 (16) an expert in minority business development appointed by the governor;
- 20.10 (17) an expert in economic development strategies for under-resourced communities
20.11 appointed by the governor;
- 20.12 (18) an expert in farming or representing the interests of farmers appointed by the
20.13 governor;
- 20.14 (19) an expert representing the interests of cannabis workers appointed by the governor;
- 20.15 (20) an expert representing the interests of employers appointed by the governor;
- 20.16 (21) an expert in municipal law enforcement with advanced training in impairment
20.17 detection and evaluation appointed by the governor;
- 20.18 (22) an expert in social welfare or social justice appointed by the governor;
- 20.19 (23) an expert in criminal justice reform to mitigate the disproportionate impact of drug
20.20 prosecutions on communities of color appointed by the governor;
- 20.21 (24) an expert in prevention, treatment, and recovery related to substance use disorders
20.22 appointed by the governor;
- 20.23 (25) an expert in minority business ownership appointed by the governor;
- 20.24 (26) an expert in women-owned businesses appointed by the governor;
- 20.25 (27) an expert in cannabis retailing appointed by the governor;
- 20.26 (28) an expert in cannabis product manufacturing appointed by the governor;
- 20.27 (29) an expert in laboratory sciences and toxicology appointed by the governor;
- 20.28 (30) an expert in providing legal services to cannabis businesses appointed by the
20.29 governor;

- 21.1 (31) an expert in cannabis cultivation appointed by the governor;
- 21.2 (32) an expert in toxicology appointed by the governor;
- 21.3 (33) an expert in pediatric medicine appointed by the governor;
- 21.4 (34) an expert in adult medicine appointed by the governor;
- 21.5 (35) two patient advocates, one who is a patient enrolled in the medical cannabis program
- 21.6 and one who is a parent or caregiver of a patient in the medical cannabis program;
- 21.7 (36) two licensed mental health professionals appointed by the governor;
- 21.8 (37) a veteran appointed by the governor;
- 21.9 (38) one member of each of the following federally recognized Tribes, designated by
- 21.10 the elected Tribal president or chairperson of the governing bodies of:
- 21.11 (i) the Fond du Lac Band;
- 21.12 (ii) the Grand Portage Band;
- 21.13 (iii) the Mille Lacs Band;
- 21.14 (iv) the White Earth Band;
- 21.15 (v) the Bois Forte Band;
- 21.16 (vi) the Leech Lake Band;
- 21.17 (vii) the Red Lake Nation;
- 21.18 (viii) the Upper Sioux Community;
- 21.19 (ix) the Lower Sioux Indian Community;
- 21.20 (x) the Shakopee Mdewakanton Sioux Community; and
- 21.21 (xi) the Prairie Island Indian Community; and
- 21.22 (39) a representative from the Local Public Health Association of Minnesota appointed
- 21.23 by the association.
- 21.24 (b) While serving on the Cannabis Advisory Council and within two years after
- 21.25 terminating service, a council member shall not serve as a lobbyist, as defined under section
- 21.26 10A.01, subdivision 21.
- 21.27 Subd. 2. **Terms; compensation; removal; vacancy; expiration.** The membership terms,
- 21.28 compensation, removal of members appointed by the governor, and filling of vacancies of
- 21.29 members are provided in section 15.059.

22.1 Subd. 3. **Officers; meetings.** (a) The director of the Office of Cannabis Management
22.2 or the director's designee must chair the Cannabis Advisory Council. The advisory council
22.3 must elect a vice-chair and may elect other officers as necessary.

22.4 (b) The advisory council shall meet quarterly or upon the call of the chair.

22.5 (c) Meetings of the advisory council are subject to chapter 13D.

22.6 Subd. 4. **Duties.** (a) The duties of the advisory council shall include:

22.7 (1) reviewing national cannabis policy;

22.8 (2) examining the effectiveness of state cannabis policy;

22.9 (3) reviewing developments in the cannabis industry and hemp consumer industry;

22.10 (4) reviewing developments in the study of cannabis flower, cannabis products,
22.11 synthetically derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer
22.12 products;

22.13 (5) taking public testimony; and

22.14 (6) making recommendations to the Office of Cannabis Management.

22.15 (b) At its discretion, the advisory council may examine other related issues consistent
22.16 with this section.

22.17 Sec. 4. **[342.04] STUDIES; REPORTS.**

22.18 (a) The office shall conduct a study to determine the expected size and growth of the
22.19 regulated cannabis industry and hemp consumer industry, including an estimate of the
22.20 demand for cannabis flower and cannabis products, the number and geographic distribution
22.21 of cannabis businesses needed to meet that demand, and the anticipated business from
22.22 residents of other states.

22.23 (b) The office shall conduct a study to determine the size of the illicit cannabis market,
22.24 the sources of illicit cannabis flower and illicit cannabis products in the state, the locations
22.25 of citations issued and arrests made for cannabis offenses, and the subareas, such as census
22.26 tracts or neighborhoods, that experience a disproportionately large amount of cannabis
22.27 enforcement.

22.28 (c) The office shall conduct a study on impaired driving to determine:

22.29 (1) the number of accidents involving one or more drivers who admitted to using cannabis
22.30 flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products,
22.31 or who tested positive for cannabis or tetrahydrocannabinol;

23.1 (2) the number of arrests of individuals for impaired driving in which the individual
23.2 tested positive for cannabis or tetrahydrocannabinol; and

23.3 (3) the number of convictions for driving under the influence of cannabis flower, cannabis
23.4 products, lower-potency hemp edibles, hemp-derived consumer products, or
23.5 tetrahydrocannabinol.

23.6 (d) The office shall provide preliminary reports on the studies conducted pursuant to
23.7 paragraphs (a) to (c) to the legislature by January 15, 2024, and shall provide final reports
23.8 to the legislature by January 15, 2025. The reports may be consolidated into a single report
23.9 by the office.

23.10 (e) The office shall collect existing data from the Department of Human Services,
23.11 Department of Health, Minnesota state courts, and hospitals licensed under chapter 144 on
23.12 the utilization of mental health and substance use disorder services, emergency room visits,
23.13 and commitments to identify any increase in the services provided or any increase in the
23.14 number of visits or commitments. The office shall also obtain summary data from existing
23.15 first episode psychosis programs on the number of persons served by the programs and
23.16 number of persons on the waiting list. All information collected by the office under this
23.17 paragraph shall be included in the report required under paragraph (f).

23.18 (f) The office shall submit an annual report to the legislature by January 15, 2024, and
23.19 each January 15 thereafter. The annual report shall include but not be limited to the following:

23.20 (1) the status of the regulated cannabis industry;

23.21 (2) the status of the illicit cannabis market and hemp consumer industry;

23.22 (3) the number of accidents, arrests, and convictions involving drivers who admitted to
23.23 using cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
23.24 consumer products or who tested positive for cannabis or tetrahydrocannabinol;

23.25 (4) the change in potency, if any, of cannabis flower and cannabis products available
23.26 through the regulated market;

23.27 (5) progress on providing opportunities to individuals and communities that experienced
23.28 a disproportionate, negative impact from cannabis prohibition, including but not limited to
23.29 providing relief from criminal convictions and increasing economic opportunities;

23.30 (6) the status of racial and geographic diversity in the cannabis industry;

23.31 (7) proposed legislative changes;

24.1 (8) information on the adverse effects of second-hand smoke from any cannabis flower,
24.2 cannabis products, and hemp-derived consumer products that are consumed by combustion
24.3 or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product;
24.4 and

24.5 (9) recommendations for levels of funding for:

24.6 (i) a coordinated education program to address and raise public awareness about the top
24.7 three adverse health effects, as determined by the commissioner of health, associated with
24.8 the use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
24.9 consumer products by individuals under 21 years of age;

24.10 (ii) a coordinated education program to educate pregnant individuals, breastfeeding
24.11 individuals, and individuals who may become pregnant on the adverse health effects of
24.12 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
24.13 products;

24.14 (iii) training, technical assistance, and educational materials for home visiting programs,
24.15 Tribal home visiting programs, and child welfare workers regarding safe and unsafe use of
24.16 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
24.17 products in homes with infants and young children;

24.18 (iv) model programs to educate middle school and high school students on the health
24.19 effects on children and adolescents of the use of cannabis flower, cannabis products,
24.20 lower-potency hemp edibles and hemp-derived consumer products and other intoxicating
24.21 or controlled substances;

24.22 (v) grants issued through the CanTrain, CanNavigate, CanStartup, and CanGrow
24.23 programs;

24.24 (vi) grants to organizations for community development in social equity communities
24.25 through the CanRenew program;

24.26 (vii) training of peace officers and law enforcement agencies on changes to laws involving
24.27 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
24.28 products and the law's impact on searches and seizures;

24.29 (viii) training of peace officers to increase the number of drug recognition experts;

24.30 (ix) training of peace officers on the cultural uses of sage and distinguishing use of sage
24.31 from the use of cannabis flower, including whether the Board of Peace Officer Standards
24.32 and Training should approve or develop training materials;

25.1 (x) the retirement and replacement of drug detection dogs; and

25.2 (xi) the Department of Human Services and county social service agencies to address
25.3 any increase in demand for services.

25.4 (g) In developing the recommended funding levels under paragraph (f), clause (9), items
25.5 (vii) to (xi), the office shall consult with local law enforcement agencies, the Minnesota
25.6 Chiefs of Police Association, the Minnesota Sheriff's Association, the League of Minnesota
25.7 Cities, the Association of Minnesota Counties, and county social services agencies.

25.8 **Sec. 5. [342.05] STATEWIDE MONITORING SYSTEM.**

25.9 Subdivision 1. **Statewide monitoring.** The office must contract with an outside vendor
25.10 to establish a statewide monitoring system for integrated cannabis tracking, inventory, and
25.11 verification to track all cannabis plants, cannabis flower, cannabis products, and synthetically
25.12 derived cannabinoids from seed, immature plant, or creation until disposal or sale to a patient
25.13 or customer.

25.14 Subd. 2. **Data submission requirements.** The monitoring system must allow cannabis
25.15 businesses and Tribal medical cannabis program manufacturers to submit monitoring data
25.16 to the office through the use of monitoring system software commonly used within the
25.17 cannabis industry and may also permit cannabis businesses and Tribal medical cannabis
25.18 program manufacturers to submit monitoring data through manual data entry with approval
25.19 from the office.

25.20 **Sec. 6. [342.06] APPROVAL OF ADULT-USE CANNABIS FLOWER AND**
25.21 **ADULT-USE CANNABIS PRODUCTS.**

25.22 Subdivision 1. **Definitions.** For the purposes of this section, "type" means an individual
25.23 product in a product line that may be sold in different sizes, distinct packaging, or at various
25.24 prices but is still created using the same manufacturing or agricultural processes. A new or
25.25 additional stock keeping unit (SKU) or Universal Product Code (UPC) shall not prevent a
25.26 product from being considered the same type as another unit. All other terms have the
25.27 meanings provided in section 342.01.

25.28 Subd. 2. **Approval of products.** (a) The office shall approve types of adult-use cannabis
25.29 flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived
25.30 consumer products other than hemp-derived topical products for retail sale. The office shall
25.31 not require reapproval of a product type if the manufacturing or agricultural processes and
25.32 final product unit remain substantially similar to a previously approved type of adult-use

26.1 cannabis flower, adult-use cannabis product, lower-potency hemp edible, or hemp-derived
26.2 consumer product.

26.3 (b) The office shall not approve any adult-use cannabis product, lower-potency hemp
26.4 edible, or hemp-derived consumer product that:

26.5 (1) is or appears to be a lollipop or ice cream;

26.6 (2) bears the likeness or contains characteristics of a real or fictional person, animal, or
26.7 fruit;

26.8 (3) is modeled after a type or brand of products primarily consumed by or marketed to
26.9 children;

26.10 (4) is substantively similar to a meat food product; poultry food product as defined in
26.11 section 31A.02, subdivision 10; or a dairy product as defined in section 32D.01, subdivision
26.12 7;

26.13 (5) contains an artificial cannabinoid;

26.14 (6) is made by applying a cannabinoid, including but not limited to a synthetically derived
26.15 cannabinoid, to a finished food product that does not contain cannabinoids and is sold to
26.16 consumers, including but not limited to a candy or snack food; or

26.17 (7) if the product is an edible cannabis product or lower-potency hemp edible, contains
26.18 an ingredient, other than a cannabinoid, that is not approved by the United States Food and
26.19 Drug Administration for use in food.

26.20 (c) The office must not approve any adult-use cannabis flower, adult-use cannabis
26.21 product, or hemp-derived consumer product that:

26.22 (1) is intended to be consumed by combustion or vaporization of the product and
26.23 inhalation of smoke, aerosol, or vapor from the product; and

26.24 (2) imparts a taste or odor, other than the taste or odor of cannabis flower, that is
26.25 distinguishable by an ordinary person before or during consumption of the product.

26.26 (d) The office may adopt rules to limit or prohibit ingredients in or additives to adult-use
26.27 cannabis flower, adult-use cannabis products, or hemp-derived consumer products to ensure
26.28 compliance with the limitations in paragraph (c).

27.1 Sec. 7. **[342.07] AGRICULTURAL AND FOOD SAFETY PRACTICES;**
27.2 **RULEMAKING.**

27.3 Subdivision 1. **Plant propagation standards.** In consultation with the commissioner
27.4 of agriculture, the office by rule must establish certification, testing, and labeling
27.5 requirements for the methods used to grow new cannabis plants or hemp plants, including
27.6 but not limited to growth from seed, clone, cutting, or tissue culture.

27.7 Subd. 2. **Agricultural best practices.** In consultation with the commissioner of
27.8 agriculture and representatives from the University of Minnesota Extension Service, the
27.9 office shall establish best practices for:

27.10 (1) the cultivation and preparation of cannabis plants; and

27.11 (2) the use of pesticides, fertilizers, soil amendments, and plant amendments in relation
27.12 to growing cannabis plants.

27.13 Subd. 3. **Edible cannabis product handler endorsement.** (a) Any person seeking to
27.14 manufacture, process, sell, handle, or store an edible cannabis product or lower-potency
27.15 hemp edible, other than an edible cannabis product or lower-potency hemp edible that has
27.16 been placed in its final packaging, must first obtain an edible cannabis product handler
27.17 endorsement.

27.18 (b) In consultation with the commissioner of agriculture, the office shall establish an
27.19 edible cannabis product handler endorsement.

27.20 (c) The office must regulate edible cannabis product handlers and assess penalties in the
27.21 same manner provided for food handlers under chapters 28A, 31, and 34A and associated
27.22 rules, with the following exceptions:

27.23 (1) the office must issue an edible cannabis product handler endorsement, rather than a
27.24 license;

27.25 (2) eligibility for an edible cannabis product handler endorsement is limited to persons
27.26 who possess a valid license issued by the office;

27.27 (3) the office may not charge a fee for issuing or renewing the endorsement;

27.28 (4) the office must align the term and renewal period for edible cannabis product handler
27.29 endorsements with the term and renewal period of the license issued by the office; and

27.30 (5) an edible cannabis product or lower-potency hemp edible must not be considered
27.31 adulterated solely because the product contains tetrahydrocannabinol, cannabis concentrate,

28.1 hemp concentrate, synthetically derived cannabinoids, or any other material extracted or
28.2 derived from a cannabis plant, cannabis flower, hemp plant, or hemp plant parts.

28.3 (d) The edible cannabis product handler endorsement must prohibit the manufacture of
28.4 edible cannabis products at the same premises where food is manufactured, except for the
28.5 limited production of edible products produced solely for product development, sampling,
28.6 or testing. This limitation does not apply to the manufacture of lower-potency hemp edibles.

28.7 **Sec. 8. [342.08] ESTABLISHMENT OF ENVIRONMENTAL STANDARDS.**

28.8 Subdivision 1. **Water standards.** In consultation with the commissioner of the Pollution
28.9 Control Agency, the office by rule must establish appropriate water standards for cannabis
28.10 businesses.

28.11 Subd. 2. **Energy use.** In consultation with the commissioner of commerce, the office
28.12 by rule must establish appropriate energy standards for cannabis businesses.

28.13 Subd. 3. **Solid waste.** In consultation with the commissioner of the Pollution Control
28.14 Agency, the office by rule must establish appropriate solid waste standards for the disposal
28.15 of:

28.16 (1) cannabis flower and cannabis products;

28.17 (2) packaging;

28.18 (3) recyclable materials, including minimum requirements for the use of recyclable
28.19 materials; and

28.20 (4) other solid waste.

28.21 Subd. 4. **Odor.** The office by rule must establish appropriate standards and requirements
28.22 to limit odors produced by cannabis businesses.

28.23 Subd. 5. **Applicability; federal, state, and local laws.** A cannabis business must comply
28.24 with all applicable federal, state, and local laws related to the subjects of subdivisions 1 to
28.25 4.

28.26 Subd. 6. **Rulemaking.** (a) The office may only adopt a rule under this section if the rule
28.27 is consistent with and at least as stringent as applicable state and federal laws related to the
28.28 subjects of subdivisions 1 to 4.

28.29 (b) The office must coordinate and consult with a department or agency of the state
28.30 regarding the development and implementation of a rule under this section if the department
28.31 or agency has expertise or a regulatory interest in the subject matter of the rule.

Sec. 9. **[342.09] PERSONAL ADULT USE OF CANNABIS.**

Subdivision 1. Personal adult use, possession, and transportation of adult-use cannabis flower and adult-use cannabis products. (a) An individual 21 years of age or older may:

(1) use, possess, or transport cannabis paraphernalia;

(2) possess or transport two ounces or less of adult-use cannabis flower in a public place;

(3) possess two pounds or less of adult-use cannabis flower derived from sources other than the home cultivation of cannabis plants authorized in subdivision 2 in the individual's private residence;

(4) possess five pounds or less of adult-use cannabis flower derived from the home cultivation of cannabis plants authorized in subdivision 2 in the individual's private residence;

(5) possess or transport eight grams or less of adult-use cannabis concentrate;

(6) possess or transport edible cannabis products or lower-potency hemp edibles infused with a combined total of 800 milligrams or less of tetrahydrocannabinol;

(7) give for no remuneration to an individual who is at least 21 years of age:

(i) two ounces or less of adult-use cannabis flower;

(ii) eight grams or less of adult-use cannabis concentrate; or

(iii) an edible cannabis product or lower-potency hemp edible infused with 800 milligrams or less of tetrahydrocannabinol; and

(8) use adult-use cannabis flower and adult-use cannabis products in the following locations:

(i) a private residence, including the individual's curtilage or yard;

(ii) on private property, not generally accessible by the public, unless the individual is explicitly prohibited from consuming adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner of the property; or

(iii) on the premises of an establishment or event licensed to permit on-site consumption.

Notwithstanding clauses (3) and (4), no individual may possess a total of more than five pounds of adult-use cannabis flower in the individual's private residence regardless of the cannabis's source.

30.1 (b) Except as provided in paragraph (c), an individual may not:

30.2 (1) use, possess, or transport cannabis flower, cannabis products, lower-potency hemp
30.3 edibles, or hemp-derived consumer products if the individual is under 21 years of age;

30.4 (2) use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
30.5 consumer products in a motor vehicle as defined in section 169A.03, subdivision 15;

30.6 (3) use cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
30.7 consumer products at any location where smoking is prohibited under section 144.414;

30.8 (4) use or possess cannabis flower, cannabis products, lower-potency hemp edibles, or
30.9 hemp-derived consumer products in a public school, as defined in section 120A.05,
30.10 subdivisions 9, 11, and 13, or in a charter school governed by chapter 124E, including all
30.11 facilities, whether owned, rented, or leased, and all vehicles that a school district owns,
30.12 leases, rents, contracts for, or controls;

30.13 (5) use or possess cannabis flower, cannabis products, lower-potency hemp edibles, or
30.14 hemp-derived consumer products in a state correctional facility;

30.15 (6) operate a motor vehicle while under the influence of cannabis flower, cannabis
30.16 products, lower-potency hemp edibles, or hemp-derived consumer products;

30.17 (7) give for no remuneration cannabis flower, cannabis products, lower-potency hemp
30.18 edibles, or hemp-derived consumer products to an individual under 21 years of age;

30.19 (8) give for no remuneration cannabis flower or cannabis products as a sample or
30.20 promotional gift if the giver is in the business of selling goods or services; or

30.21 (9) vaporize or smoke cannabis flower, cannabis products, synthetically derived
30.22 cannabinoids, or hemp-derived consumer products in any location where the smoke, aerosol,
30.23 or vapor would be inhaled by a minor.

30.24 (c) The prohibitions under paragraph (b), clauses (1) to (4), do not apply to use other
30.25 than by smoking or by a vaporized delivery method, possession, or transportation of medical
30.26 cannabis flower or medical cannabinoid products by a patient; a registered designated
30.27 caregiver; or a parent, legal guardian, or spouse of a patient.

30.28 (d) A proprietor of a family or group family day care program must disclose to parents
30.29 or guardians of children cared for on the premises of the family or group family day care
30.30 program, if the proprietor permits the smoking or use of cannabis flower or cannabis products
30.31 on the premises outside of its hours of operation. Disclosure must include posting on the
30.32 premises a conspicuous written notice and orally informing parents or guardians. Cannabis

31.1 flower or cannabis products must be inaccessible to children and stored away from food
31.2 products.

31.3 Subd. 2. **Home cultivation of cannabis for personal adult use.** Up to eight cannabis
31.4 plants, with no more than four being mature, flowering plants may be grown at a single
31.5 residence, including the curtilage or yard, without a license to cultivate cannabis issued
31.6 under this chapter provided that cultivation takes place at the primary residence of an
31.7 individual 21 years of age or older and in an enclosed, locked space that is not open to public
31.8 view.

31.9 Subd. 3. **Home extraction of cannabis concentrate by use of volatile solvent**
31.10 **prohibited.** No person may use a volatile solvent to separate or extract cannabis concentrate
31.11 or hemp concentrate without a cannabis microbusiness, cannabis mezzobusiness, cannabis
31.12 manufacturer, medical cannabis processor, or lower-potency hemp edible manufacturer
31.13 license issued under this chapter.

31.14 Subd. 4. **Sale of cannabis flower and cannabis products prohibited.** No person may
31.15 sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
31.16 consumer products without a license issued under this chapter that authorizes the sale.

31.17 Subd. 5. **Importation of hemp-derived products.** No person may import lower-potency
31.18 hemp edibles or hemp-derived consumer products, other than hemp-derived topical products,
31.19 that are manufactured outside the boundaries of the state of Minnesota with the intent to
31.20 sell the products to consumers within the state or to any other person or business that intends
31.21 to sell the products to consumers within the state without a license issued under this chapter
31.22 that authorizes the importation of such products. This subdivision does not apply to products
31.23 lawfully purchased for personal use.

31.24 Subd. 6. **Violations; penalties.** (a) In addition to penalties listed in this subdivision, a
31.25 person who violates the provisions of this chapter is subject to any applicable criminal
31.26 penalty.

31.27 (b) The office may assess the following civil penalties on a person who sells cannabis
31.28 flower without a license issued under this chapter that authorizes the sale:

31.29 (1) if the person sells more than two ounces but not more than eight ounces of cannabis
31.30 flower, up to \$1,000;

31.31 (2) if the person sells more than eight ounces but not more than one pound of cannabis
31.32 flower, up to \$5,000;

- 32.1 (3) if the person sells more than one pound but not more than five pounds of cannabis
32.2 flower, up to \$25,000;
- 32.3 (4) if the person sells more than five pounds but not more than 25 pounds of cannabis
32.4 flower, up to \$100,000;
- 32.5 (5) if the person sells more than 25 pounds but not more than 50 pounds of cannabis
32.6 flower, up to \$250,000; and
- 32.7 (6) if the person sells more than 50 pounds of cannabis flower, up to \$1,000,000.
- 32.8 (c) The office may assess the following civil penalties on a person who sells cannabis
32.9 concentrate without a license issued under this chapter that authorizes the sale:
- 32.10 (1) if the person sells more than eight grams but not more than 40 grams of cannabis
32.11 concentrate, up to \$1,000;
- 32.12 (2) if the person sells more than 40 grams but not more than 80 grams of cannabis
32.13 concentrate, up to \$5,000;
- 32.14 (3) if the person sells more than 80 grams but not more than 400 grams of cannabis
32.15 concentrate, up to \$25,000;
- 32.16 (4) if the person sells more than 400 grams but not more than two kilograms of cannabis
32.17 concentrate, up to \$100,000;
- 32.18 (5) if the person sells more than two kilograms but not more than four kilograms of
32.19 cannabis concentrate, up to \$250,000; and
- 32.20 (6) if the person sells more than four kilograms of cannabis concentrate, up to \$1,000,000.
- 32.21 (d) The office may assess the following civil penalties on a person who imports or sells
32.22 products infused with tetrahydrocannabinol without a license issued under this chapter that
32.23 authorizes the importation or sale:
- 32.24 (1) if the person imports or sells products infused with a total of more than 800 milligrams
32.25 but not more than four grams of tetrahydrocannabinol, up to \$1,000;
- 32.26 (2) if the person imports or sells products infused with a total of more than four grams
32.27 but not more than eight grams of tetrahydrocannabinol, up to \$5,000;
- 32.28 (3) if the person imports or sells products infused with a total of more than eight grams
32.29 but not more than 40 grams of tetrahydrocannabinol, up to \$25,000;
- 32.30 (4) if the person imports or sells products infused with a total of more than 40 grams
32.31 but not more than 200 grams of tetrahydrocannabinol, up to \$100,000;

33.1 (5) if the person imports or sells products infused with a total of more than 200 grams
33.2 but not more than 400 grams of tetrahydrocannabinol, up to \$250,000; and

33.3 (6) if the person imports or sells products infused with a total of more than 400 grams
33.4 of tetrahydrocannabinol, up to \$1,000,000.

33.5 (e) The office may assess a civil penalty of up to \$500 for each plant grown in excess
33.6 of the limit on a person who grows more than eight cannabis plants or more than four mature,
33.7 flowering plants, without a license to cultivate cannabis issued under this chapter.

33.8 Sec. 10. **[342.10] LICENSES; TYPES.**

33.9 The office shall issue the following types of license:

33.10 (1) cannabis microbusiness;

33.11 (2) cannabis mezzobusiness;

33.12 (3) cannabis cultivator;

33.13 (4) cannabis manufacturer;

33.14 (5) cannabis retailer;

33.15 (6) cannabis wholesaler;

33.16 (7) cannabis transporter;

33.17 (8) cannabis testing facility;

33.18 (9) cannabis event organizer;

33.19 (10) cannabis delivery service;

33.20 (11) lower-potency hemp edible manufacturer;

33.21 (12) lower-potency hemp edible retailer;

33.22 (13) medical cannabis cultivator;

33.23 (14) medical cannabis processor; or

33.24 (15) medical cannabis retailer.

33.25 Sec. 11. **[342.11] LICENSES; FEES.**

33.26 (a) The office shall require the payment of application fees, initial licensing fees, and
33.27 renewal licensing fees as provided in this section. The initial license fee shall include the
33.28 fee for initial issuance of the license and the first annual renewal. The renewal fee shall be

34.1 charged at the time of the second renewal and each subsequent annual renewal thereafter.
34.2 Nothing in this section prohibits a local unit of government from charging the retailer
34.3 registration fee established in section 342.22. Application fees, initial licensing fees, and
34.4 renewal licensing fees are nonrefundable.

34.5 (b) Application and licensing fees shall be as follows:

34.6 (1) for a cannabis microbusiness:

34.7 (i) an application fee of \$500;

34.8 (ii) an initial license fee of \$0; and

34.9 (iii) a renewal license fee of \$2,000;

34.10 (2) for a cannabis mezzobusiness:

34.11 (i) an application fee of \$5,000;

34.12 (ii) an initial license fee of \$5,000; and

34.13 (iii) a renewal license fee of \$10,000;

34.14 (3) for a cannabis cultivator:

34.15 (i) an application fee of \$10,000;

34.16 (ii) an initial license fee of \$20,000; and

34.17 (iii) a renewal license fee of \$30,000;

34.18 (4) for a cannabis manufacturer:

34.19 (i) an application fee of \$10,000;

34.20 (ii) an initial license fee of \$10,000; and

34.21 (iii) a renewal license fee of \$20,000;

34.22 (5) for a cannabis retailer:

34.23 (i) an application fee of \$2,500;

34.24 (ii) an initial license fee of \$2,500; and

34.25 (iii) a renewal license fee of \$5,000;

34.26 (6) for a cannabis wholesaler:

34.27 (i) an application fee of \$5,000;

34.28 (ii) an initial license fee of \$5,000; and

- 35.1 (iii) a renewal license fee of \$10,000;
- 35.2 (7) for a cannabis transporter:
- 35.3 (i) an application fee of \$250;
- 35.4 (ii) an initial license fee of \$500; and
- 35.5 (iii) a renewal license fee of \$1,000;
- 35.6 (8) for a cannabis testing facility:
- 35.7 (i) an application fee of \$10,000;
- 35.8 (ii) an initial license fee of \$10,000; and
- 35.9 (iii) a renewal license fee of \$20,000;
- 35.10 (9) for a cannabis delivery service:
- 35.11 (i) an application fee of \$250;
- 35.12 (ii) an initial license fee of \$500; and
- 35.13 (iii) a renewal license fee of \$1,000;
- 35.14 (10) for a cannabis event organizer:
- 35.15 (i) an application fee of \$750; and
- 35.16 (ii) an initial license fee of \$750;
- 35.17 (11) for a lower-potency hemp edible manufacturer:
- 35.18 (i) an application fee of \$250;
- 35.19 (ii) an initial license fee of \$1,000; and
- 35.20 (iii) a renewal license fee of \$1,000;
- 35.21 (12) for a lower-potency hemp edible retailer:
- 35.22 (i) an application fee of \$250 per retail location;
- 35.23 (ii) an initial license fee of \$250 per retail location; and
- 35.24 (iii) a renewal license fee of \$250 per retail location;
- 35.25 (13) for a medical cannabis cultivator:
- 35.26 (i) an application fee of \$250;
- 35.27 (ii) an initial license fee of \$0; and

36.1 (iii) a renewal license fee of \$0;

36.2 (14) for a medical cannabis processor:

36.3 (i) an application fee of \$250;

36.4 (ii) an initial license fee of \$0; and

36.5 (iii) a renewal license fee of \$0; and

36.6 (15) for a medical cannabis retailer:

36.7 (i) an application fee of \$250;

36.8 (ii) an initial license fee of \$0; and

36.9 (iii) a renewal license fee of \$0.

36.10 **Sec. 12. [342.12] LICENSES; TRANSFERS; ADJUSTMENTS.**

36.11 (a) Licenses issued under this chapter may be freely transferred subject to the prior
36.12 written approval of the office, which approval may be given or withheld in the office's sole
36.13 discretion, provided that a social equity applicant may only transfer the applicant's license
36.14 to another social equity applicant. A new license must be obtained when:

36.15 (1) the form of the licensee's legal business structure converts or changes to a different
36.16 type of legal business structure; or

36.17 (2) the licensee dissolves; reorganizes; undergoes bankruptcy, insolvency, or receivership
36.18 proceedings; or assigns all or substantially all of its assets for the benefit of creditors.

36.19 (b) Licenses must be renewed annually.

36.20 (c) License holders may petition the office to adjust the tier of a license issued within a
36.21 license category provided that the license holder meets all applicable requirements.

36.22 (d) The office by rule may permit relocation of a licensed cannabis business, adopt
36.23 requirements for the submission of a license relocation application, establish standards for
36.24 the approval of a relocation application, and charge a fee not to exceed \$250 for reviewing
36.25 and processing applications. Relocation of a licensed premises pursuant to this paragraph
36.26 does not extend or otherwise modify the license term of the license subject to relocation.

37.1 Sec. 13. [342.13] LOCAL CONTROL.

37.2 (a) A local unit of government may not prohibit the possession, transportation, or use
37.3 of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
37.4 consumer products authorized under this chapter.

37.5 (b) A local unit of government may not prohibit the establishment or operation of a
37.6 cannabis business licensed under this chapter.

37.7 (c) A local unit of government may adopt reasonable restrictions on the time, place, and
37.8 manner of the operation of a cannabis business provided that such restrictions do not prohibit
37.9 the establishment or operation of cannabis businesses. A local unit of government may
37.10 prohibit the operation of a cannabis business within 500 feet of a school, day care, or park.

37.11 (d) The office shall work with local units of government to develop model ordinances
37.12 for reasonable restrictions on the time, place, and manner of the operation of a cannabis
37.13 business.

37.14 (e) If a local unit of government is conducting studies or has authorized a study to be
37.15 conducted or has held or has scheduled a hearing for the purpose of considering adoption
37.16 or amendment of reasonable restrictions on the time, place, and manner of the operation of
37.17 a cannabis business, the governing body of the local unit of government may adopt an
37.18 interim ordinance applicable to all or part of its jurisdiction for the purpose of protecting
37.19 the planning process and the health, safety, and welfare of its citizens. Before adopting the
37.20 interim ordinance, the governing body must hold a public hearing. The interim ordinance
37.21 may regulate, restrict, or prohibit the operation of a cannabis business within the jurisdiction
37.22 or a portion thereof until January 1, 2025.

37.23 (f) Within 30 days of receiving a copy of an application for a cannabis business license
37.24 from the office, a local unit of government shall certify on a form provided by the office
37.25 whether a proposed cannabis business complies with local zoning ordinances and, if
37.26 applicable, whether the proposed business complies with the state fire code and building
37.27 code.

37.28 (g) Upon receipt of an application for a license issued under this chapter, the office shall
37.29 contact the local unit of government in which the business would be located and provide
37.30 the local unit of government with 30 days in which to provide input on the application. The
37.31 local unit of government may provide the office with any additional information it believes
37.32 is relevant to the office's decision on whether to issue a license, including but not limited
37.33 to identifying concerns about the proposed location of a cannabis business or sharing public
37.34 information about an applicant.

(h) The office by rule shall establish an expedited complaint process to receive, review, and respond to complaints made by a local unit of government about a cannabis business. Complaints may include alleged violations of local ordinances or other alleged violations. At a minimum, the expedited complaint process shall require the office to provide an initial response to the complaint within seven days and perform any necessary inspections within 30 days. Nothing in this paragraph prohibits a local unit of government from enforcing a local ordinance.

Sec. 14. **[342.135] LOCAL RESTRICTION ON NUMBER OF CANNABIS RETAILERS.**

(a) A local government unit that issues cannabis retailer registration under section 342.22 may, by ordinance, limit the number of licensed cannabis retailers consistent with the following limits:

(1) in cities of the first class and counties, one license for every 10,000 population;

(2) in cities of the second class, at least four licenses plus one for every 5,000 over 45,000 population;

(3) in cities of the third class, at least two licenses;

(4) in cities of 5,000 to 10,000 population, at least one license; and

(5) in cities under 5,000 population, at least one license.

(b) Nothing in this subdivision shall prohibit a local government from allowing licensed cannabis retailers in excess of the minimums set in paragraph (a).

Sec. 15. **[342.14] LICENSE APPLICATION AND RENEWAL; FEES.**

Subdivision 1. **Application; contents.** (a) The office by rule shall establish forms and procedures for the processing of licenses issued under this chapter. At a minimum, any application to obtain or renew a license shall include the following information, if applicable:

(1) the name, address, and date of birth of the applicant;

(2) the disclosure of ownership and control required under paragraph (b);

(3) the disclosure of whether the applicant or, if the applicant is a business, any officer, director, manager, and general partner of the business has ever filed for bankruptcy;

(4) the address and legal property description of the business;

39.1 (5) a general description of the location or locations the applicant plans to operate,
39.2 including the planned square feet of planned space for cultivation, wholesaling, and retailing,
39.3 as applicable;

39.4 (6) a diversity plan that establishes a goal of diversity in ownership, management,
39.5 employment, and contracting;

39.6 (7) a copy of the security plan;

39.7 (8) proof of trade name registration;

39.8 (9) a copy of the applicant's business plan showing the expected size of the business;
39.9 anticipated growth; the methods of record keeping; the knowledge and experience of the
39.10 applicant and any officer, director, manager, and general partner of the business; the
39.11 environmental plan; and other relevant financial and operational components;

39.12 (10) an attestation signed by a bona fide labor organization stating that the applicant has
39.13 entered into a labor peace agreement;

39.14 (11) certification that the applicant will comply with the requirements of this chapter
39.15 relating to the ownership and operation of a cannabis business;

39.16 (12) a land use compatibility statement from the local unit of government;

39.17 (13) identification of one or more controlling persons or managerial employees as agents
39.18 who shall be responsible for dealing with the office on all matters; and

39.19 (14) a statement that the applicant agrees to respond to the office's supplemental requests
39.20 for information.

39.21 (b) An applicant must file and update as necessary a disclosure of ownership and control.
39.22 The office by rule shall establish the contents and form of the disclosure. At a minimum,
39.23 the disclosure shall include the following:

39.24 (1) the management structure, ownership, and control of the applicant or license holder,
39.25 including the name of each cooperative member, officer, director, manager, general partner
39.26 or business entity; the office or position held by each person; each person's percentage
39.27 ownership interest, if any; and, if the business has a parent company, the name of each
39.28 owner, board member, and officer of the parent company and the owner's, board member's,
39.29 or officer's percentage ownership interest in the parent company and the cannabis business;

39.30 (2) a statement from the applicant and, if the applicant is a business, from every officer,
39.31 director, manager, and general partner of the business, indicating whether that person has

40.1 previously held, or currently holds, an ownership interest in a cannabis business in Minnesota,
40.2 any other state or territory of the United States, or any other country;

40.3 (3) if the applicant is a corporation, copies of its articles of incorporation and bylaws
40.4 and any amendments to its articles of incorporation or bylaws;

40.5 (4) copies of any partnership agreement, operating agreement, or shareholder agreement;

40.6 (5) copies of any promissory notes, security instruments, or other similar agreements;

40.7 (6) explanation detailing the funding sources used to finance the business;

40.8 (7) a list of operating and investment accounts for the business, including any applicable
40.9 financial institution and account number; and

40.10 (8) a list of each outstanding loan and financial obligation obtained for use in the business,
40.11 including the loan amount, loan terms, and name and address of the creditor.

40.12 (c) An application may include:

40.13 (1) proof that the applicant is a social equity applicant;

40.14 (2) a description of the training and education that will be provided to any employee;

40.15 or

40.16 (3) a copy of business policies governing operations to ensure compliance with this
40.17 chapter.

40.18 (d) Commitments made by an applicant in its application, including but not limited to
40.19 the maintenance of a labor peace agreement, shall be an ongoing material condition of
40.20 maintaining and renewing the license.

40.21 (e) An application on behalf of a corporation or association shall be signed by at least
40.22 two officers or managing agents of that entity.

40.23 Subd. 2. **Application; process.** (a) An applicant must submit all required information
40.24 to the office on the forms and in the manner prescribed by the office.

40.25 (b) If the office receives an application that fails to provide the required information,
40.26 the office shall issue a deficiency notice to the applicant. The applicant shall have ten
40.27 business days from the date of the deficiency notice to submit the required information.

40.28 (c) Failure by an applicant to submit all required information will result in the application
40.29 being rejected.

40.30 (d) Upon receipt of a completed application and fee, or a site permit application, the
40.31 office shall forward a copy of the application to the local unit of government in which the

business operates or intends to operate with a form for certification as to whether a proposed cannabis business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.

(e) Within 90 days of receiving a completed application, the office shall issue the appropriate license or send the applicant a notice of rejection setting forth specific reasons that the office did not approve the application.

Subd. 3. **Criminal history check.** A license applicant or, in the case of a business entity, every cooperative member or director, manager, and general partner of the business entity, must submit a completed criminal history records check consent form, a full set of classifiable fingerprints, and the required fees to the office. Upon receipt of this information, the office must submit the completed criminal history records check consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension. After receiving this information, the bureau must conduct a Minnesota criminal history records check of the person. The bureau may exchange the person's fingerprints with the Federal Bureau of Investigation to obtain the person's national criminal history record information. The bureau must return the results of the Minnesota and federal criminal history records checks to the director to determine if the person is disqualified under section 342.19.

Sec. 16. [342.15] SOCIAL EQUITY APPLICANTS.

An individual qualifies as a social equity applicant if the individual is:

(1) a military veteran who lost honorable status due to a cannabis-related offense;

(2) a resident for the last five years of one or more subareas, such as census tracts or neighborhoods, that experienced a disproportionately large amount of cannabis enforcement as determined by the study conducted by the office pursuant to section 342.04, paragraph (b), and reported in the preliminary report, final report, or both; or

(3) a resident for the last five years of one or more census tracts where, as reported in the most recently completed decennial census published by the United States Bureau of the Census, either:

(i) the poverty rate was 20 percent or more; or

(ii) the median family income did not exceed 80 percent of statewide median family income or, if in a metropolitan area, did not exceed the greater of 80 percent of the statewide median family income or 80 percent of the median family income for that metropolitan area.

Sec. 17. **[342.16] LICENSE SELECTION CRITERIA.**

Subdivision 1. Market stability. The office shall issue the necessary number of licenses in order to ensure the sufficient supply of cannabis flower and cannabis products to meet demand, provide market stability, ensure a competitive market, and limit the sale of unregulated cannabis flower and cannabis products. The office shall annually complete a market analysis to determine whether it is fulfilling the four requirements listed in this subdivision. The office shall hold public hearings as part of the market analysis to hear from consumers, market stakeholders, and potential new applicants.

Subd. 2. Vertical integration prohibited; exceptions. (a) Except as otherwise provided in this subdivision, the office shall not issue licenses to a single applicant that would result in the applicant being vertically integrated in violation of the provisions of this chapter.

(b) Nothing in this section prohibits or limits the issuance of microbusiness licenses or mezzobusiness licenses or the issuance of both lower-potency hemp edible manufacturer and lower-potency hemp edible retailer licenses to the same person or entity.

(c) Nothing in this section prohibits or limits the two medical cannabis licensees licensed as of January 1, 2023, from being vertically integrated through its existing cultivation, processing, and dispensaries.

Subd. 3. Application score; license priority. (a) The office shall award points to each completed application for a license to operate a cannabis business in the following categories:

(1) status as a social equity applicant or as an applicant who is substantially similar to a social equity applicant as described in paragraph (c);

(2) status as a veteran applicant;

(3) security and record keeping;

(4) employee training plan;

(5) business plan and financial situation;

(6) diversity plan;

(7) labor and employment practices;

(8) knowledge and experience; and

(9) environmental plan.

43.1 (b) The office may award additional points to an application if the license holder would
43.2 expand service to an underrepresented market including but not limited to participation in
43.3 the medical cannabis program.

43.4 (c) The office shall establish application materials permitting individual applicants to
43.5 demonstrate the impact that cannabis prohibition has had on that applicant including but
43.6 not limited to the arrest or imprisonment of the applicant or a member of the applicant's
43.7 immediate family, and the office may award points to such applicants in the same manner
43.8 as points are awarded to social equity applicants.

43.9 (d) The office shall establish policies and guidelines, which shall be made available to
43.10 the public, regarding the number of points available in each category and the basis for
43.11 awarding those points. Status as a social equity applicant must account for at least 20 percent
43.12 of the total available points. In determining the number of points to award to a cooperative
43.13 or business applying as a social equity applicant, the office shall consider the number or
43.14 ownership percentage of cooperative members, officers, directors, managers, and general
43.15 partners who qualify as social equity applicants.

43.16 (e) Consistent with the goals identified in subdivision 1, the office shall issue licenses
43.17 in each license category, giving priority to applicants who receive the highest score under
43.18 paragraphs (a) and (b). If there are insufficient licenses available for entities that receive
43.19 identical scores, the office shall utilize a lottery to randomly select license recipients from
43.20 among those entities.

43.21 Subd. 4. **Local land use compatibility statement.** (a) Prior to the issuance of a license,
43.22 the office shall request a land use compatibility statement from the city, town, or county
43.23 that authorizes the land use. The land use compatibility statement must demonstrate that
43.24 the requested license is for a land use that is allowable within the given zoning designation
43.25 where the land is located. The office may not issue a license if the land use compatibility
43.26 statement shows that the proposed land use is prohibited in the applicable zone or if the
43.27 applicant has failed to meet the land use requirements of the jurisdiction.

43.28 (b) A city, town, or county that receives a request from the office for a land use
43.29 compatibility statement under this section must act on that request within 21 days of receipt
43.30 of the request if the land use is allowable and the applicant has applied for and received all
43.31 necessary land use approvals.

43.32 (c) The office shall not issue a license to an applicant who has failed to receive a local
43.33 land use compatibility statement approval from a local unit of government or to an applicant
43.34 whose local approvals have been suspended or revoked.

Sec. 18. **[342.17] INSPECTION; LICENSE VIOLATIONS; PENALTIES.**

Subdivision 1. Authority to inspect. (a) In order to carry out the purposes of this chapter, the office, upon presenting appropriate credentials to the owner, operator, or agent in charge, is authorized to:

(1) enter any cannabis business or hemp business without delay and at reasonable times;

(2) inspect and investigate during regular working hours and at other reasonable times, within reasonable limits and in a reasonable manner, any cannabis business or hemp business and all relevant conditions, equipment, records, and materials therein; and

(3) question privately any employer, owner, operator, agent, or employee of a cannabis business or hemp business.

(b) An employer, owner, operator, agent, or employee must not refuse the office entry or otherwise deter or prohibit the office from taking action under paragraph (a).

Subd. 2. Powers of office. (a) In making inspections and investigations under this chapter, the office shall have the power to administer oaths, certify as to official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. In case of failure of any person to comply with any subpoena lawfully issued, or on the refusal of any witness to produce evidence or to testify to any matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the office, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify therein.

(b) If the office finds probable cause to believe that any cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is being distributed in violation of this chapter or rules adopted under this chapter, the office shall affix to the item a tag, withdrawal from distribution order, or other appropriate marking providing notice that the cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is, or is suspected of being, distributed in violation of this chapter and has been detained or embargoed, and warning all persons not to remove or dispose of the item by sale or otherwise until permission for removal or disposal is given by the office or the court. It is unlawful for a person to remove or dispose of detained or embargoed cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product by sale or

otherwise without the office's or a court's permission and each transaction is a separate violation of this section.

(c) Notwithstanding subdivision 5, if any cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product has been found by the office to be in violation of this chapter, the office shall petition the district court in the county in which the item is detained or embargoed for an order and decree for the condemnation of the item. The office shall release the cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product when this chapter and rules adopted under this chapter have been complied with or the item is found not to be in violation of this chapter or rules adopted under this chapter.

(d) If the court finds that detained or embargoed cannabis plant, cannabis flower, synthetically derived cannabinoid, cannabis product, lower-potency hemp edible, or hemp-derived consumer product is in violation of this chapter or rules adopted under this chapter, the following remedies are available:

(1) after entering a decree, the cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product may be destroyed at the expense of the claimant under the supervision of the office, and all court costs, fees, storage, and other proper expenses must be assessed against the claimant of the cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product or the claimant's agent; and

(2) if the violation can be corrected by proper labeling or processing of the cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product, the court, after entry of the decree and after costs, fees, and expenses have been paid, and a good and sufficient bond conditioned that the cannabis plant, cannabis flower, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product must be properly labeled or processed has been executed, may by order direct that the cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product be delivered to the claimant for proper labeling or processing under the supervision of the office. The office's supervision expenses must be paid by the claimant. The cannabis plant, cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product must be returned to the claimant and the bond must be discharged on representation to the court by the office that the cannabis plant,

46.1 cannabis flower, cannabis product, synthetically derived cannabinoid, lower-potency hemp
46.2 edible, or hemp-derived consumer product is no longer in violation and that the office's
46.3 supervision expenses have been paid.

46.4 (e) If the office finds in any room, building, piece of equipment, vehicle of transportation,
46.5 or other structure any cannabis plant, cannabis flower, cannabis product, synthetically
46.6 derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product that
46.7 is unsound or contains any filthy, decomposed, or putrid substance, or that may be poisonous
46.8 or deleterious to health or otherwise unsafe, the office shall condemn or destroy the item
46.9 or in any other manner render the item as unsalable, and no one has any cause of action
46.10 against the office on account of the office's action.

46.11 (f) The office may enter into an agreement with the commissioner of agriculture to
46.12 analyze and examine samples or other articles furnished by the office for the purpose of
46.13 determining whether the sample or article violates this chapter or rules adopted under this
46.14 chapter. A copy of the examination or analysis report for any such article, duly authenticated
46.15 under oath by the laboratory analyst making the determination or examination, shall be
46.16 prima facie evidence in all courts of the matters and facts contained in the report.

46.17 Subd. 3. **Aiding of inspection.** Subject to rules issued by the office, a representative of
46.18 a cannabis business or hemp business shall be given an opportunity to accompany the office
46.19 during the physical inspection of any cannabis business or hemp business for the purpose
46.20 of aiding such inspection.

46.21 Subd. 4. **Complaints and reports; priority of inspection.** (a) The office may conduct
46.22 inspections of any licensed cannabis business or hemp business at any time to ensure
46.23 compliance with the ownership and operation requirements of this chapter.

46.24 (b) Any person may report a suspected violation of a safety or health standard. If upon
46.25 receipt of such notification the office determines that there are reasonable grounds to believe
46.26 that such violation or danger exists, the office shall make a special inspection as soon as
46.27 practicable to determine if such danger or violation exists.

46.28 (c) The office shall prioritize inspections of cannabis businesses or hemp businesses
46.29 where there are reasonable grounds to believe that a violation poses imminent danger to the
46.30 public or customers.

46.31 (d) The office shall promptly inspect cannabis businesses or hemp businesses that are
46.32 the subject of complaint by a local unit of government.

47.1 Subd. 5. **Violations; administrative orders and penalties.** (a) The office may issue an
47.2 administrative order to any licensed cannabis business or hemp business that the office
47.3 determines has committed a violation of this chapter or rules adopted pursuant to this chapter.
47.4 The administrative order may require the business to correct the violation or to cease and
47.5 desist from committing the violation. The order must state the deficiencies that constitute
47.6 the violation and the time by which the violation must be corrected. If the business believes
47.7 that the information in the administrative order is in error, the business may ask the office
47.8 to consider the parts of the order that are alleged to be in error. The request must be in
47.9 writing, delivered to the office by certified mail within seven days after receipt of the order,
47.10 and provide documentation to support the allegation of error. The office must respond to a
47.11 request for reconsideration within 15 days after receiving the request. A request for
47.12 reconsideration does not stay the correction order unless the office issues a supplemental
47.13 order granting additional time. The office's disposition of a request for reconsideration is
47.14 final.

47.15 (b) For each violation of this chapter or rules adopted pursuant to this chapter, the office
47.16 may issue to each business a monetary penalty of up to \$10,000, an amount that deprives
47.17 the business of any economic advantage gained by the violation, or both.

47.18 (c) An administrative penalty may be recovered in a civil action in the name of the state
47.19 brought in the district court of the county where the violation is alleged to have occurred
47.20 or the district court where the office is housed.

47.21 (d) In addition to penalties listed in this subdivision, a person or business who violates
47.22 the provisions of this chapter is subject to any applicable criminal penalty.

47.23 **Sec. 19. [342.18] LICENSE SUSPENSION OR REVOCATION; HEARING.**

47.24 Subdivision 1. **License revocation and nonrenewal.** The office may revoke or not
47.25 renew a license when the office has cause to believe that a cannabis business has violated
47.26 an ownership or operational requirement in this chapter or rules adopted pursuant to this
47.27 chapter. The office must notify the license holder in writing, specifying the grounds for
47.28 revocation or nonrenewal and fixing a time of at least 20 days thereafter for a hearing on
47.29 the matter.

47.30 Subd. 2. **Hearing; written findings.** (a) Before the office revokes or does not renew a
47.31 license, the office must provide the license holder with a statement of the complaints made
47.32 against the license holder, and the office must hold a hearing to determine whether the office
47.33 should revoke the license or deny renewal of the license. The license holder shall receive
47.34 notice at least 20 days before the date of the hearing and notice may be served either by

certified mail addressed to the address of the license holder as shown in the license application or in the manner provided by law for the service of a summons. At the time and place fixed for the hearing, the office, or any office employee or agent authorized by the office to conduct the hearing, shall receive evidence, administer oaths, and examine witnesses.

(b) After the hearing held pursuant to paragraph (a), or upon the failure of the license holder to appear at the hearing, the office must take action as is deemed advisable and issue written findings that the office must mail to the license holder. An action of the office under this paragraph is subject to judicial review pursuant to chapter 14.

Subd. 3. **Temporary suspension.** The office may temporarily, without hearing, suspend the license and operating privilege of any business licensed under this chapter for up to 90 days if continuing the operation of the business would threaten the health or safety of any person. The office may extend the period for an additional 90 days if the office notified the business that the office intends to revoke or not renew a license and the hearing required under subdivision 2 has not taken place.

Sec. 20. [342.185] DATA PRACTICES; APPLICANTS; LICENSE HOLDERS.

Subdivision 1. **Not public data.** The following data collected, created, or maintained by the office are classified as nonpublic data, as defined by section 13.02, subdivision 9, or as private data on individuals, as defined by section 13.02, subdivision 12:

(1) application data submitted by an applicant for a cannabis business license, other than the data listed in subdivision 2;

(2) the identity of a complainant who has made a report concerning a license holder or applicant that appears in inactive complaint data unless the complainant consents to the disclosure;

(3) the nature or content of unsubstantiated complaints when the information is not maintained in anticipation of legal action;

(4) the record of any disciplinary proceeding except as limited by subdivision 4;

(5) data identifying retail or wholesale customers of a cannabis business; and

(6) data identifying cannabis workers.

Subd. 2. **Public data on license applicants.** (a) The following application data submitted by an applicant for a cannabis business license are public data:

(1) the applicant's name and designated address;

- 49.1 (2) data disclosing the ownership and control of the applicant;
- 49.2 (3) proof of trade name registration;
- 49.3 (4) data showing the legal possession of the premises where the business will operate;
- 49.4 (5) data describing whether volatile chemicals will be used in any methods of extraction
- 49.5 or concentration;
- 49.6 (6) environmental plans;
- 49.7 (7) the type and number of other cannabis business licenses held by the applicant; and
- 49.8 (8) the name, address, location, dates, and hours of where any proposed cannabis event
- 49.9 will take place.

49.10 (b) Scoring and other data generated by the office in its review of an applicant for a

49.11 cannabis business license are public data.

49.12 Subd. 3. **Public application data on license holders.** Once an applicant for a cannabis

49.13 business license becomes a license holder, all of the application data that the license holder

49.14 had previously submitted to the office are public data except that the following data remain

49.15 classified as nonpublic data or private data on individuals:

- 49.16 (1) data identifying retail or wholesale customers of a cannabis business;
- 49.17 (2) data identifying cannabis workers;
- 49.18 (3) tax returns, bank account statements, and other financial account information;
- 49.19 (4) business plans; and
- 49.20 (5) security information and trade secret information, as defined by section 13.37.

49.21 Subd. 4. **Public disciplinary data.** Minutes, orders for hearings, findings of fact,

49.22 conclusions of law, and specification of the final disciplinary action contained in the record

49.23 of the disciplinary action are classified as public data. If there is a public hearing concerning

49.24 the disciplinary action, the entire record concerning the disciplinary action is public data.

49.25 If the license holder and the office agree to resolve a complaint without a hearing, the

49.26 agreement and the specific reasons for the agreement are public data.

49.27 Subd. 5. **Data practices administration.** (a) The office must establish written procedures

49.28 to ensure that only individuals authorized by law may enter, update, or access data maintained

49.29 by the office and classified as nonpublic or private data on individuals. An authorized

49.30 individual's ability to enter, update, or access not public data must correspond to the official

49.31 duties or training level of the individual and to the statutory authorization granting access

for that purpose. All queries and responses, and all actions in which not public data are entered, updated, accessed, shared, or disseminated, must be recorded in a data audit trail. Data contained in the audit trail have the same classification as the underlying data tracked by the audit trail.

(b) The office must not share data classified as nonpublic or private data on individuals under this section or other data identifying an individual applicant or license holder with any federal agency, federal department, or federal entity unless specifically ordered to do so by a state or federal court.

(c) The office must arrange for an independent audit to verify compliance with this section. The audit must be completed annually for the first two years following establishment of the office and biennially thereafter. The results of the audit are public. No later than 30 days following completion of the audit, the office must provide a report summarizing the audit results to the chairs and ranking minority members of the committees of the house of representatives and the senate with jurisdiction over commerce and data practices, and the Legislative Commission on Data Practices and Personal Data Privacy. The report must be submitted as required under section 3.195, except that printed copies are not required.

Sec. 21. **[342.19] ADULT-USE CANNABIS BUSINESS; GENERAL OWNERSHIP DISQUALIFICATIONS AND REQUIREMENTS.**

Subdivision 1. **Criminal history check.** Every license applicant and prospective cannabis worker must submit a completed criminal history records check consent form, a full set of classifiable fingerprints, and the required fees to the office. Upon receipt of this information, the office must submit the completed criminal history records check consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension. After receiving this information, the bureau must conduct a Minnesota criminal history records check of the person. The bureau may exchange the person's fingerprints with the Federal Bureau of Investigation to obtain the person's national criminal history record information. The bureau must return the results of the Minnesota and federal criminal history records checks to the director to determine if the person is disqualified under this section.

Subd. 2. **Criminal offenses; disqualifications.** (a) No person may hold or receive a license issued under this chapter or work for a cannabis business if the person has been convicted of, or received a stay of adjudication for, a violation of a state or federal controlled substance law that is a felony under Minnesota law or would be a felony if committed in Minnesota, regardless of the sentence imposed, unless the office determines that the person's conviction was for the possession or sale of cannabis.

(b) A person who has been convicted of, or received a stay of adjudication for, a violation of Minnesota Statutes 2022, section 152.023, subdivision 1, clause (3), or a state or federal law in conformity with that provision, for the sale of cannabis to a person under the age of 18 may hold or receive a license issued under this chapter, or work for a cannabis business, if 20 years have passed since the date the person was convicted or adjudication was stayed.

(c) Except as provided in paragraph (a), (b), or (d), a person who has been convicted of, or received a stay of adjudication for, a violation of a state or federal law that is a felony under Minnesota law or would be a felony if committed in Minnesota, regardless of the sentence imposed, may hold or receive a license issued under this chapter, or work for a cannabis business, if five years have passed since the discharge of the sentence.

(d) No license holder or applicant may hold or receive a license issued under this chapter, or work for a cannabis business, if the person has been convicted of a sale of cannabis in the first degree under section 152.0264, subdivision 1.

(e) A person who has been convicted of sale of cannabis in the second degree under section 152.0264, subdivision 2, may hold or receive a license issued under this chapter or work for a cannabis business if ten years have passed since the discharge of the sentence.

(f) A person who has been convicted of sale of cannabis in the third degree under section 152.0264, subdivision 3, may hold or receive a license issued under this chapter or work for a cannabis business if five years have passed since the discharge of the sentence.

(g) A person who has been convicted of sale of cannabis in the fourth degree under section 152.0264, subdivision 4, may hold or receive a license issued under this chapter or work for a cannabis business if one year has passed since the discharge of the sentence.

(h) If the license holder or applicant is a business entity, the disqualifications under this subdivision apply to every cooperative member or every director, manager, and general partner of the business entity.

Subd. 3. **Risk of harm; set aside.** The office may set aside a disqualification under subdivision 2 if the office finds that the person has submitted sufficient information to demonstrate that the person does not pose a risk of harm to any person served by the applicant, license holder, or other entities as provided in this chapter.

Subd. 4. **General requirements.** (a) A license holder or applicant must meet each of the following requirements, if applicable, to hold or receive a license issued under this chapter:

(1) be at least 21 years of age;

- 52.1 (2) have completed an application for licensure or application for renewal;
- 52.2 (3) have paid the applicable application fee;
- 52.3 (4) reside in the state;
- 52.4 (5) if the applicant or license holder is a business entity, be incorporated in the state or
- 52.5 otherwise formed or organized under the laws of the state;
- 52.6 (6) if the applicant or license holder is a business entity, at least 75 percent of the business
- 52.7 must be owned by Minnesota residents;
- 52.8 (7) not be employed by the office or any state agency with regulatory authority under
- 52.9 this chapter or the rules adopted pursuant to this chapter;
- 52.10 (8) not be a licensed peace officer, as defined in section 626.84, subdivision 1, paragraph
- 52.11 (c);
- 52.12 (9) never have had a license previously issued under this chapter revoked;
- 52.13 (10) have filed any previously required tax returns for a cannabis business;
- 52.14 (11) have paid and remitted any business taxes, gross receipts taxes, interest, or penalties
- 52.15 due relating to the operation of a cannabis business;
- 52.16 (12) have fully and truthfully complied with all information requests of the office relating
- 52.17 to license application and renewal;
- 52.18 (13) not be disqualified under subdivision 2;
- 52.19 (14) not employ an individual who is disqualified from working for a cannabis business
- 52.20 under this chapter; and
- 52.21 (15) meet the ownership and operational requirements for the type of license and, if
- 52.22 applicable, endorsement sought or held.
- 52.23 (b) If the license holder or applicant is a business entity, every officer, director, manager,
- 52.24 and general partner of the business entity must meet each of the requirements of this section.

52.25 **Sec. 22. [342.20] CANNABIS BUSINESSES; GENERAL OPERATIONAL**

52.26 **REQUIREMENTS AND PROHIBITIONS.**

52.27 Subdivision 1. **Individuals under 21 years of age.** (a) A cannabis business may not

52.28 employ an individual under 21 years of age and may not contract with an individual under

52.29 21 years of age if the individual's scope of work involves the handling of cannabis plants,

52.30 cannabis flower, synthetically derived cannabinoids, or cannabis products.

(b) A cannabis business may not permit an individual under 21 years of age to enter the business premises other than entry by a patient enrolled in the registry program.

(c) A cannabis business may not sell or give cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age unless the individual is a patient; registered designated caregiver; or parent, legal guardian, or spouse of a patient who is authorized to use, possess, or transport medical cannabis flower or medical cannabinoid products.

Subd. 2. Use of cannabis flower and cannabis products within a licensed cannabis business. (a) A cannabis business may not permit an individual who is not an employee to consume cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within its licensed premises unless the business is licensed to permit on-site consumption or the business has an on-site endorsement to a license authorizing the sale of lower-potency hemp edibles.

(b) Except as otherwise provided in this subdivision, a cannabis business may not permit an employee to consume cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within its licensed premises or while the employee is otherwise engaged in activities within the course and scope of employment.

(c) A cannabis business may permit an employee to use medical cannabis flower and medical cannabinoid products if that individual is a patient.

(d) For quality control, employees of a licensed cannabis business may sample cannabis flower or cannabis products. Employees may not interact directly with customers for at least three hours after sampling a product. Employees may not consume more than three samples in a single 24-hour period. All samples must be recorded in the statewide monitoring system.

Subd. 3. Restricted access. (a) Except as otherwise provided in this subdivision, a cannabis business may not permit any individual to enter a restricted area unless the cannabis business records the individual's name, time of entry, time of exit, and authorization to enter the restricted area through use of an electronic or manual entry log and the individual:

(1) is a cannabis worker employed by or contracted with the cannabis business;

(2) is an employee of the office or another enforcement agency;

(3) is a contractor of the cannabis business, including but not limited to an electrician, a plumber, an engineer, or an alarm technician, whose scope of work will not involve the handling of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products and, if the individual is working in an area with immediate

54.1 access to cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
54.2 consumer products, the individual is supervised at all times by a cannabis worker employed
54.3 by or contracted with the cannabis business; or

54.4 (4) has explicit authorization from the office to enter a restricted area and, if the individual
54.5 is in an area with immediate access to cannabis flower or cannabis products, the individual
54.6 is supervised at all times by a cannabis worker employed by or contracted with the cannabis
54.7 business.

54.8 (b) A cannabis business shall ensure that all areas of entry to restricted areas within its
54.9 licensed premises are conspicuously marked and cannot be entered without recording the
54.10 individual's name, time of entry, time of exit, and authorization to enter the restricted area.

54.11 Subd. 4. **Ventilation and filtration.** A cannabis business must maintain a ventilation
54.12 and filtration system sufficient to meet the requirements for odor control established by the
54.13 office.

54.14 Subd. 5. **Records.** (a) A cannabis business must retain financial records for the current
54.15 and previous tax year at the primary business location and must make those records available
54.16 for inspection by the office at any time during regular business hours.

54.17 (b) When applicable, a cannabis business must maintain financial records for the previous
54.18 ten tax years and must make those records available for inspection within one business day
54.19 of receiving a request for inspection by the office.

54.20 (c) The office may require a cannabis business to submit to an audit of its business
54.21 records. The office may select or approve the auditor and the cannabis business must provide
54.22 the auditor with access to all business records. The cost of the audit must be paid by the
54.23 cannabis business.

54.24 Subd. 6. **Diversity report.** A cannabis business shall provide an annual report on the
54.25 status of diversity in the business ownership, management, and employment and in services
54.26 for which the business contracts.

54.27 Subd. 7. **Use of statewide monitoring system.** (a) A cannabis business must use the
54.28 statewide monitoring system for integrated cannabis tracking, inventory, and verification
54.29 to track all cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles,
54.30 and hemp-derived consumer products the cannabis business has in its possession to the
54.31 point of disposal, transfer, or sale.

54.32 (b) For the purposes of this subdivision, a cannabis business possesses the cannabis
54.33 plants and cannabis flower that the business cultivates from seed or immature plant, if

55.1 applicable, or receives from another cannabis business, and possesses the cannabis products,
55.2 lower-potency hemp edibles, and hemp-derived consumer products that the business
55.3 manufactures or receives from another cannabis business.

55.4 (c) Sale and transfer of cannabis plants, cannabis flower, cannabis products,
55.5 lower-potency hemp edibles, and hemp-derived consumer products must be recorded in the
55.6 statewide monitoring system within the time established by rule.

55.7 Subd. 8. **Disposal; loss documentation.** (a) A cannabis business must dispose of cannabis
55.8 plants, cannabis flower, cannabis products, lower-potency hemp edibles, hemp-derived
55.9 consumer products, and synthetically derived cannabinoids that are damaged, have a broken
55.10 seal, have been contaminated, or have not been sold by the expiration date on the label.

55.11 (b) Disposal must be conducted in a manner approved by the office.

55.12 (c) Disposed products must be documented in the statewide monitoring system.

55.13 (d) Any lost or stolen products must be reported to local law enforcement and a cannabis
55.14 business must log any lost or stolen products in the statewide monitoring system as soon
55.15 as the loss is discovered.

55.16 Subd. 9. **Sale of approved products.** A cannabis business may only sell cannabis plants,
55.17 cannabis flower, cannabis products, and synthetically derived cannabinoids that are approved
55.18 by the office and that comply with this chapter and rules adopted pursuant to this chapter
55.19 regarding the testing, packaging, and labeling of cannabis plants, cannabis flower, cannabis
55.20 products, and synthetically derived cannabinoids.

55.21 Subd. 10. **Security.** A cannabis business must maintain and follow a security plan to
55.22 deter and prevent the theft or diversion of cannabis plants, cannabis flower, cannabis products,
55.23 or hemp-derived consumer products; unauthorized entry into the cannabis business; and the
55.24 theft of currency.

55.25 Subd. 11. **Financial relationship.** (a) Except for the lawful sale of cannabis plants,
55.26 cannabis flower, cannabis products, and synthetically derived cannabinoids in the ordinary
55.27 course of business and as otherwise provided in this subdivision, no cannabis business may
55.28 offer, give, accept, receive, or borrow money or anything else of value or accept or receive
55.29 credit from any other cannabis business. This prohibition applies to offering or receiving a
55.30 benefit in exchange for preferential placement by a cannabis retailer, including preferential
55.31 placement on the cannabis retailer's shelves, display cases, or website. This prohibition
55.32 applies to every cooperative member or every director, manager, and general partner of a
55.33 cannabis business.

(b) This prohibition does not apply to merchandising credit in the ordinary course of business for a period not to exceed 30 days or for marketing or consumer education materials made available in a retail location.

(c) This prohibition does not apply to free samples of useable cannabis flower or cannabis products packaged in a sample jar protected by a plastic or metal mesh screen to allow customers to smell the cannabis flower or cannabis product before purchase. A sample jar may not contain more than eight grams of useable cannabis flower, eight grams of a cannabis concentrate, or an edible cannabis product infused with 100 milligrams of tetrahydrocannabinol.

(d) This prohibition does not apply to free samples of cannabis flower or cannabis products provided to a cannabis retailer or cannabis wholesaler for the purposes of quality control and to allow cannabis retailers to determine whether to offer a product for sale. A sample provided for these purposes may not contain more than eight grams of useable cannabis flower, eight grams of a cannabis concentrate, or an edible cannabis product infused with 100 milligrams of tetrahydrocannabinol.

(e) This prohibition does not apply to any fee charged by a licensed cannabis event organizer to a cannabis business for participation in a cannabis event.

Subd. 12. **Exclusive contracts.** A cannabis business may not directly or indirectly make an agreement with a cannabis retailer that binds the cannabis retailer to purchase the products of one cannabis cultivator or cannabis manufacturer to the exclusion of the products of other cannabis cultivators or cannabis manufacturers. A cannabis retailer who is a party to a violation of this section or who receives the benefits of a violation is equally guilty of a violation.

Subd. 13. **Customer privacy.** A cannabis business must not share data on retail or wholesale customers with any federal agency, federal department, or federal entity unless specifically ordered by a state or federal court.

Sec. 23. [342.21] CANNABIS CULTIVATOR LICENSING AND OPERATIONS.

Subdivision 1. **Authorized actions.** A cannabis cultivator license entitles the license holder to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from a mature plant, package and label cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis manufacturer located on the same premises, and perform other actions approved by the office.

57.1 Subd. 2. **Size limitations.** A cannabis cultivator may cultivate up to 15,000 square feet
57.2 of plant canopy unless the office, by rule, increases that limit. The office may, by rule,
57.3 increase the limit on plant canopy to no more than 30,000 cubic feet if the office determines
57.4 that expansion is consistent with the goals identified in section 342.02, subdivision 1. A
57.5 cannabis cultivator may not operate multiple tiers of cultivation unless authorized by the
57.6 office.

57.7 Subd. 3. **Additional information required.** In addition to the information required to
57.8 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,
57.9 a person, cooperative, or business seeking a cannabis cultivator license must submit the
57.10 following information in a form approved by the office:

57.11 (1) an operating plan demonstrating the proposed size and layout of the cultivation
57.12 facility; plans for wastewater and waste disposal for the cultivation facility; plans for
57.13 providing electricity, water, and other utilities necessary for the normal operation of the
57.14 cultivation facility; and plans for compliance with the applicable building code and federal
57.15 and state environmental and workplace safety requirements;

57.16 (2) a cultivation plan demonstrating the proposed size and layout of the cultivation
57.17 facility that will be used exclusively for cultivation including the total amount of plant
57.18 canopy; and

57.19 (3) evidence that the business will comply with the applicable operation requirements
57.20 for the license being sought.

57.21 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
57.22 cannabis cultivator license may also hold a cannabis manufacturing license, medical cannabis
57.23 cultivator license, medical cannabis producer license, license to grow industrial hemp, and
57.24 cannabis event organizer license.

57.25 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
57.26 cannabis cultivator license may own or operate any other cannabis business or hemp business.
57.27 This prohibition does not prevent the transportation of cannabis flower from a cannabis
57.28 cultivator to a cannabis manufacturer licensed to the same person, cooperative, or business
57.29 and located on the same premises.

57.30 (c) The office by rule may limit the number of cannabis cultivator licenses a person,
57.31 cooperative, or business may hold.

(d) For purposes of this subdivision, a restriction on the number or type of license a business may hold applies to every cooperative member or every director, manager, and general partner of a cannabis business.

Subd. 5. Cultivation operations. A cannabis cultivator must comply with the requirements in section 342.25.

Subd. 6. Limitations on health care practitioners. A health care practitioner who certifies qualifying medical conditions for patients is prohibited from:

(1) holding a direct or indirect economic interest in a cannabis cultivator;

(2) serving as a cooperative member, director, manager, general partner, or employee of a cannabis cultivator; or

(3) advertising with a cannabis cultivator in any way.

Subd. 7. Remuneration. A cannabis cultivator is prohibited from:

(1) accepting or soliciting any form of remuneration from a health care practitioner who certifies qualifying medical conditions for patients; or

(2) offering any form of remuneration to a health care practitioner who certifies qualifying medical conditions for patients.

Sec. 24. ~~[342.22]~~ RETAILERS; LOCAL REGISTRATION AND ENFORCEMENT.

Subdivision 1. Registration required. Before making retail sales to customers or patients, a cannabis microbusiness with a retail operations endorsement, cannabis mezzobusiness with a retail operations endorsement, cannabis retailer, medical cannabis retailer, or lower-potency hemp edible retailer must register with the city, town, or county in which the retail establishment is located. A county may issue a registration in cases where a city or town has provided consent for the county to issue the registration for the jurisdiction.

Subd. 2. Registration fee. (a) A local unit of government may impose an initial retail registration fee of up to half the amount of the applicable initial license fee under section 342.11. The local unit of government may also impose a renewal retail registration fee of up to half the amount of the applicable renewal license fee under section 342.11. The initial license fee shall include the fee for initial registration and the first annual renewal. Any renewal fee imposed by the local unit of government shall be charged at the time of the second renewal and each subsequent annual renewal thereafter.

(b) The local unit of government may not charge an application fee.

59.1 (c) A cannabis business with a cannabis retailer license and a medical cannabis retailer
59.2 license for the same location may only be charged a single registration fee.

59.3 (d) Registration fees are nonrefundable.

59.4 Subd. 3. **Issuance of registration.** (a) A local unit of government shall issue a retail
59.5 registration to a cannabis microbusiness with a retail operations endorsement, cannabis
59.6 mezzobusiness with a retail operations endorsement, cannabis retailer, medical cannabis
59.7 retailer, or lower-potency hemp edible retailer that:

59.8 (1) has a valid license issued by the office;

59.9 (2) has paid the registration fee or renewal fee pursuant to subdivision 2;

59.10 (3) is found to be in compliance with the requirements of this chapter at any preliminary
59.11 compliance check that the local unit of government performs; and

59.12 (4) if applicable, is current on all property taxes and assessments at the location where
59.13 the retail establishment is located.

59.14 (b) Before issuing a retail registration, the local unit of government may conduct a
59.15 preliminary compliance check to ensure that the cannabis business or hemp business is in
59.16 compliance with the applicable operation requirements and the limits on the types of cannabis
59.17 flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products
59.18 that may be sold.

59.19 (c) A local unit of government shall renew the retail registration of a cannabis business
59.20 or hemp business when the office renews the license of the cannabis business or hemp
59.21 business.

59.22 (d) A retail registration issued under this section may not be transferred.

59.23 Subd. 4. **Compliance checks.** (a) A local unit of government shall conduct compliance
59.24 checks of every cannabis business and hemp business with a retail registration issued by
59.25 the local unit of government. The checks shall assess compliance with age verification
59.26 requirements, the applicable operation requirements, and the applicable limits on the types
59.27 of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived
59.28 consumer products being sold.

59.29 (b) The local unit of government must conduct unannounced age verification compliance
59.30 checks at least once each calendar year. Age verification compliance checks must involve
59.31 persons at least 17 years of age, but under the age of 21, who, with the prior written consent
59.32 of a parent or guardian if the person is under the age of 18, attempt to purchase adult-use

60.1 cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived
60.2 consumer products under the direct supervision of a law enforcement officer or an employee
60.3 of the local unit of government.

60.4 (c) Checks to ensure compliance with the applicable operation requirements and the
60.5 limits on the types of cannabis flower, cannabis products, lower-potency hemp edibles, and
60.6 hemp-derived consumer products that may be sold must be performed at least once each
60.7 calendar year and may be performed by a law enforcement officer or an employee of the
60.8 local unit of government.

60.9 Subd. 5. **Registration suspension and cancellation; notice to office; penalties.** (a) If
60.10 a local unit of government determines that a cannabis business or hemp business with a
60.11 retail registration issued by the local unit of government is not operating in compliance with
60.12 the requirements of this chapter or that the operation of the business poses an immediate
60.13 threat to the health or safety of the public, the local unit of government may suspend the
60.14 retail registration of the cannabis business or hemp business. The local unit of government
60.15 must immediately notify the office of the suspension and shall include a description of the
60.16 grounds for the suspension.

60.17 (b) The office shall review the retail registration suspension and may order reinstatement
60.18 of the retail registration or take any action described in section 342.17 or 342.18.

60.19 (c) The retail registration suspension must be for up to 30 days unless the office suspends
60.20 the license and operating privilege of the cannabis business or hemp business for a longer
60.21 period or revokes the license.

60.22 (d) The local unit of government may reinstate the retail registration if the local unit of
60.23 government determines that any violation has been cured. The local unit of government
60.24 must reinstate the retail registration if the office orders reinstatement.

60.25 (e) No cannabis microbusiness with a retail operations endorsement, cannabis
60.26 mezzobusiness with a retail operations endorsement, cannabis retailer, medical cannabis
60.27 retailer, or lower-potency hemp edible retailer may make any sale to a customer or patient
60.28 without a valid retail registration. A local unit of government may impose a civil penalty
60.29 of up to \$2,000 for each violation of this paragraph.

60.30 Sec. 25. **[342.23] CANNABIS BUSINESSES AND HEMP BUSINESSES; GENERAL**
60.31 **OPERATIONAL REQUIREMENTS.**

60.32 Subdivision 1. **Records.** (a) Cannabis businesses and hemp businesses must retain
60.33 financial records for the current and previous tax year at the primary business location and

61.1 must make those records available for inspection by the office at any time during regular
61.2 business hours.

61.3 (b) When applicable, a cannabis business or hemp business must maintain financial
61.4 records for the previous ten tax years and must make those records available for inspection
61.5 within one business day of receiving a request for inspection by the office.

61.6 (c) The office may require a cannabis business or hemp business to submit to an audit
61.7 of its business records. The office may select or approve the auditor and the cannabis business
61.8 or hemp business must provide the auditor with access to all business records. The cost of
61.9 the audit must be paid by the cannabis business or hemp business.

61.10 Subd. 2. **Diversity report.** Cannabis businesses and hemp businesses shall provide an
61.11 annual report on the status of diversity in the business ownership, management, and
61.12 employment and in services for which the business contracts.

61.13 Subd. 3. **Disposal; loss documentation.** (a) Cannabis businesses and hemp businesses
61.14 must dispose of cannabis plants, cannabis flower, cannabis products, synthetically derived
61.15 cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products that are
61.16 damaged, have a broken seal, have been contaminated, or have not been sold by the expiration
61.17 date on the label.

61.18 (b) Disposal must be conducted in a manner approved by the office.

61.19 (c) Disposal of any cannabis plants, cannabis flower, cannabis products, synthetically
61.20 derived cannabinoids, and hemp-derived consumer products that are required to be entered
61.21 into the statewide monitoring system must be documented in the statewide monitoring
61.22 system.

61.23 (d) Loss or theft of any cannabis plants, cannabis flower, cannabis products, synthetically
61.24 derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products
61.25 that are required to be entered into the statewide monitoring system must be reported to
61.26 local law enforcement and a business must log any such loss or theft in the statewide
61.27 monitoring system as soon as the loss or theft is discovered.

61.28 Subd. 4. **Sale of approved products.** Cannabis businesses and hemp businesses may
61.29 only sell cannabis plants, cannabis flower, cannabis products, synthetically derived
61.30 cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products that are
61.31 a type approved by the office and that comply with this chapter and rules adopted pursuant
61.32 to this chapter regarding the testing, packaging, and labeling of cannabis plants, cannabis

62.1 flower, cannabis products, synthetically derived cannabinoids, lower-potency hemp edibles,
62.2 and hemp-derived consumer products.

62.3 Subd. 5. **Financial relationship.** (a) Except for the lawful sale of cannabis plants,
62.4 cannabis flower, cannabis products, synthetically derived cannabinoids, lower-potency
62.5 hemp edibles, and hemp-derived consumer products in the ordinary course of business and
62.6 as otherwise provided in this subdivision, no cannabis business or hemp business may offer,
62.7 give, accept, receive, or borrow money or anything else of value or accept or receive credit
62.8 from any other cannabis business. This prohibition applies to offering or receiving a benefit
62.9 in exchange for preferential placement by a retailer, including preferential placement on
62.10 the retailer's shelves, display cases, or website. This prohibition applies to every cooperative
62.11 member or every director, manager, and general partner of a cannabis business or hemp
62.12 business.

62.13 (b) This prohibition does not apply to merchandising credit in the ordinary course of
62.14 business for a period not to exceed 30 days.

62.15 (c) This prohibition does not apply to free samples of useable cannabis flower, cannabis
62.16 products, lower-potency hemp edibles, or hemp-derived consumer products packaged in a
62.17 sample jar protected by a plastic or metal mesh screen to allow customers to smell the
62.18 cannabis flower, cannabis product, lower-potency hemp edible, or hemp-derived consumer
62.19 product before purchase. A sample jar may not contain more than eight grams of useable
62.20 cannabis flower, eight grams of a cannabis concentrate, an edible cannabis product infused
62.21 with 100 milligrams of tetrahydrocannabinol, a lower-potency hemp edible infused with
62.22 50 milligrams of tetrahydrocannabinol, or a hemp-derived consumer product with a total
62.23 weight of more than eight grams.

62.24 (d) This prohibition does not apply to free samples of cannabis flower, cannabis products,
62.25 lower-potency hemp edibles, or hemp-derived consumer products provided to a retailer or
62.26 cannabis wholesaler for the purposes of quality control and to allow retailers to determine
62.27 whether to offer a product for sale. A sample provided for these purposes may not contain
62.28 more than eight grams of useable cannabis flower, eight grams of a cannabis concentrate,
62.29 an edible cannabis product infused with 100 milligrams of tetrahydrocannabinol, a
62.30 lower-potency hemp edible infused with 50 milligrams of tetrahydrocannabinol, or a
62.31 hemp-derived consumer product with a total weight of more than eight grams.

62.32 (e) This prohibition does not apply to any fee charged by a licensed cannabis event
62.33 organizer to a cannabis business or hemp business for participation in a cannabis event.

Subd. 6. **Customer privacy.** Cannabis businesses and hemp businesses must not share data on retail or wholesale customers with any federal agency, federal department, or federal entity unless specifically ordered by a state or federal court.

Sec. 26. **[342.24] CANNABIS MANUFACTURER LICENSING AND OPERATIONS.**

Subdivision 1. **Authorized actions.** A cannabis manufacturer license, consistent with the specific license endorsement or endorsements, entitles the license holder to:

(1) purchase cannabis flower, cannabis products, hemp plant parts, hemp concentrate, and synthetically derived cannabinoids from a cannabis microbusiness, a cannabis mezzobusiness, a cannabis cultivator, another cannabis manufacturer, a cannabis wholesaler, or an industrial hemp grower;

(2) accept cannabis flower from unlicensed persons who are at least 21 years of age provided that the cannabis manufacturer does not accept more than two ounces from an individual on a single occasion;

(3) make cannabis concentrate;

(4) make hemp concentrate, including hemp concentrate with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;

(5) manufacture synthetically derived cannabinoids;

(6) manufacture adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for public consumption;

(7) package and label adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for customers;

(8) sell cannabis concentrate, hemp concentrate, synthetically derived cannabinoids, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to other cannabis businesses; and

(9) perform other actions approved by the office.

Subd. 2. **Size limitations.** The office shall, by rule, establish a limit on the manufacturing of adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products a cannabis manufacturer may perform. The limit must be equivalent to the amount of cannabis flower that can be harvested from a facility with a plant canopy of 15,000 square feet in a year, but may be increased to the amount that can be harvested from a facility with up to 30,000 cubic feet of plant canopy if the office expands the allowable area of cultivation under section 342.21, subdivision 2.

64.1 Subd. 3. **Additional information required.** In addition to the information required to
64.2 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,
64.3 a person, cooperative, or business seeking a cannabis manufacturer license must submit the
64.4 following information in a form approved by the office:

64.5 (1) an operating plan demonstrating the proposed layout of the facility, including a
64.6 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
64.7 the manufacturing facility; plans for providing electricity, water, and other utilities necessary
64.8 for the normal operation of the manufacturing facility; and plans for compliance with
64.9 applicable building code and federal and state environmental and workplace safety
64.10 requirements; and

64.11 (2) evidence that the business will comply with the applicable operation requirements
64.12 for the endorsement being sought.

64.13 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
64.14 cannabis manufacturer license may also hold a cannabis cultivator license, a medical cannabis
64.15 cultivator license, a medical cannabis processor license, and a cannabis event organizer
64.16 license.

64.17 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
64.18 cannabis manufacturer license may own or operate any other cannabis business or hemp
64.19 business. This prohibition does not prevent transportation of cannabis flower from a cannabis
64.20 cultivator to a cannabis manufacturer licensed to the same person, cooperative, or business
64.21 and located on the same premises.

64.22 (c) The office by rule may limit the number of cannabis manufacturer licenses that a
64.23 person or business may hold.

64.24 (d) For purposes of this subdivision, a restriction on the number or type of license that
64.25 a business may hold applies to every cooperative member or every director, manager, and
64.26 general partner of a cannabis business.

64.27 Subd. 5. **Limitations on health care practitioners.** A health care practitioner who
64.28 certifies qualifying medical conditions for patients is prohibited from:

64.29 (1) holding a direct or indirect economic interest in a cannabis manufacturer;

64.30 (2) serving as a cooperative member, director, manager, general partner, or employee
64.31 of a cannabis manufacturer; or

64.32 (3) advertising with a cannabis manufacturer in any way.

65.1 Subd. 6. **Remuneration.** A cannabis manufacturer is prohibited from:

65.2 (1) accepting or soliciting any form of remuneration from a health care practitioner who
65.3 certifies qualifying medical conditions for patients; or

65.4 (2) offering any form of remuneration to a health care practitioner who certifies qualifying
65.5 medical conditions for patients.

65.6 Subd. 7. **Cultivation operations.** A cannabis manufacturer must comply with the
65.7 requirements in section 342.25.

65.8 Sec. 27. **[342.25] CULTIVATION OF CANNABIS; GENERAL REQUIREMENTS.**

65.9 Subdivision 1. **Applicability.** Every cannabis business with a license or endorsement
65.10 authorizing the cultivation of cannabis must comply with the requirements of this section.

65.11 Subd. 2. **Cultivation records.** A business licensed or authorized to cultivate cannabis
65.12 must prepare a cultivation record for each batch of cannabis plants and cannabis flower in
65.13 the form required by the office and must maintain each record for at least five years. The
65.14 cultivation record must include the quantity and timing, where applicable, of each pesticide,
65.15 fertilizer, soil amendment, or plant amendment used to cultivate the batch, as well as any
65.16 other information required by the office in rule. The cannabis business must present
65.17 cultivation records to the office, the commissioner of agriculture, or the commissioner of
65.18 health upon request.

65.19 Subd. 3. **Agricultural chemicals and other inputs.** A business licensed or authorized
65.20 to cultivate cannabis is subject to rules promulgated by the office in consultation with the
65.21 commissioner of agriculture, subject to subdivision 5, governing the use of pesticides,
65.22 fertilizers, soil amendments, plant amendments, and other inputs to cultivate cannabis.

65.23 Subd. 4. **Cultivation plan.** A business licensed or authorized to cultivate cannabis must
65.24 prepare, maintain, and execute an operating plan and a cultivation plan as directed by the
65.25 office in rule, which must include but is not limited to:

65.26 (1) water usage;

65.27 (2) recycling;

65.28 (3) solid waste disposal; and

65.29 (4) a pest management protocol that incorporates integrated pest management principles
65.30 to control or prevent the introduction of pests to the cultivation site.

66.1 Subd. 5. **Agricultural chemicals and other inputs; pollinator protection.** (a) A business
66.2 licensed or authorized to cultivate cannabis must comply with chapters 18B, 18C, 18D, and
66.3 any other pesticide, fertilizer, soil amendment, and plant amendment laws and rules enforced
66.4 by the commissioner of agriculture.

66.5 (b) A business licensed or authorized to cultivate cannabis must not apply pesticides
66.6 when pollinators are present or allow pesticides to drift to flowering plants that are attractive
66.7 to pollinators.

66.8 Subd. 6. **Adulteration prohibited.** A business licensed or authorized to cultivate cannabis
66.9 must not treat or otherwise adulterate cannabis plants or cannabis flower with any substance
66.10 or compound that has the effect or intent of altering the color, appearance, weight, potency,
66.11 or odor of the cannabis.

66.12 Subd. 7. **Indoor or outdoor cultivation authorized; security.** A business licensed or
66.13 authorized to cultivate cannabis may cultivate cannabis plants indoors or outdoors, subject
66.14 to the security, fencing, lighting, and any other requirements imposed by the office in rule.

66.15 Subd. 8. **Genetically engineered organism release permit.** The commissioner of
66.16 agriculture may issue a genetically engineered agriculturally related organism permit under
66.17 chapter 18F for cannabis seed or cannabis plants.

66.18 Subd. 9. **Exception.** Nothing in this section applies to the cultivation of hemp plants.

66.19 Sec. 28. **[342.26] MANUFACTURE OF CANNABIS PRODUCTS; GENERAL**
66.20 **REQUIREMENTS.**

66.21 Subdivision 1. **Applicability.** Every cannabis business with a license or endorsement
66.22 authorizing the creation of cannabis concentrate and manufacture of cannabis products and
66.23 hemp-derived consumer products for public consumption must comply with the requirements
66.24 of this section.

66.25 Subd. 2. **All manufacturer operations.** (a) Cannabis manufacturing must take place in
66.26 an enclosed, locked facility that is used exclusively for the manufacture of cannabis products,
66.27 creation of hemp concentrate, creation of synthetically derived cannabinoids, creation of
66.28 lower-potency hemp edibles, or creation of hemp-derived consumer products except that a
66.29 business that also holds a cannabis cultivator license may operate in a facility that shares
66.30 general office space, bathrooms, entryways, and walkways.

66.31 (b) Cannabis manufacturing must take place on equipment that is used exclusively for
66.32 the manufacture of cannabis products, creation of hemp concentrate, creation of synthetically

67.1 derived cannabinoids, creation of lower-potency hemp edibles, or creation of hemp-derived
67.2 consumer products.

67.3 (c) A business licensed or authorized to manufacture cannabis products must comply
67.4 with all applicable packaging, labeling, and health and safety requirements.

67.5 Subd. 3. **Extraction and concentration.** (a) A business licensed or authorized to
67.6 manufacture cannabis products that creates cannabis concentrate, hemp concentrate, or
67.7 synthetically derived cannabinoids must obtain an endorsement from the office.

67.8 (b) A business licensed or authorized to manufacture cannabis products must inform the
67.9 office of all methods of extraction and concentration that the manufacturer intends to use
67.10 and identify the volatile chemicals, if any, that will be involved in the creation of cannabis
67.11 concentrate or hemp concentrate. A cannabis manufacturer may not use a method of
67.12 extraction and concentration or a volatile chemical without approval by the office.

67.13 (c) A business licensed or authorized to manufacture cannabis products must inform the
67.14 office of all methods of conversion that the manufacturer will use, including any specific
67.15 catalysts that the manufacturer will employ, to create synthetically derived cannabinoids
67.16 and the molecular nomenclature of all cannabinoids or other chemical compounds that the
67.17 manufacturer will create. A business licensed or authorized to manufacture cannabis products
67.18 may not use a method of conversion or a catalyst without approval by the office.

67.19 (d) A business licensed or authorized to manufacture cannabis products must obtain a
67.20 certification from an independent third-party industrial hygienist or professional engineer
67.21 approving:

67.22 (1) all electrical, gas, fire suppression, and exhaust systems; and

67.23 (2) the plan for safe storage and disposal of hazardous substances, including but not
67.24 limited to any volatile chemicals.

67.25 (e) A business licensed or authorized to manufacture cannabis products that manufactures
67.26 cannabis concentrate from cannabis flower received from an unlicensed person who is at
67.27 least 21 years of age must comply with all health and safety requirements established by
67.28 the office. At a minimum, the office shall require the manufacturer to:

67.29 (1) store the cannabis flower in an area that is segregated from cannabis flower and hemp
67.30 plant parts received from a licensed cannabis business;

67.31 (2) perform the extraction and concentration on equipment that is used exclusively for
67.32 extraction or concentration of cannabis flower received from unlicensed individuals;

(3) store any cannabis concentrate in an area that is segregated from cannabis concentrate, hemp concentrate, or synthetically derived cannabinoids derived or manufactured from cannabis flower or hemp plant parts received from a licensed cannabis business; and

(4) provide any cannabis concentrate only to the person who provided the cannabis flower.

(f) Upon the sale of cannabis concentrate, hemp concentrate, or synthetically derived cannabinoids to any person, cooperative, or business, a business licensed or authorized to manufacture cannabis products must provide a statement to the buyer that discloses the method of extraction and concentration or conversion used and any solvents, gases, or catalysts, including but not limited to any volatile chemicals, involved in that method.

Subd. 4. **Production of consumer products.** (a) A business licensed or authorized to manufacture cannabis products that produces edible cannabis products or lower-potency hemp edibles must obtain an edible cannabinoid product handler endorsement from the office.

(b) A business licensed or authorized to manufacture cannabis products must obtain an endorsement from the office to produce:

(1) cannabis products other than edible cannabis products; or

(2) hemp-derived consumer products other than lower-potency hemp edibles.

(c) All areas within the licensed premises of a business licensed or authorized to manufacture cannabis products producing cannabis products, lower-potency hemp edibles, or hemp-derived consumer products must meet the sanitary standards specified in rules adopted by the office.

(d) A business licensed or authorized to manufacture cannabis products may only add chemicals or compounds approved by the office to cannabis concentrate, hemp concentrate, or synthetically derived cannabinoids.

(e) Upon the sale of any cannabis product, lower-potency hemp edible, or hemp-derived consumer product to a cannabis business or hemp business, a business licensed or authorized to manufacture cannabis products must provide a statement to the buyer that discloses the product's ingredients, including but not limited to any chemicals or compounds and any major food allergens declared by name.

(f) A business licensed or authorized to manufacture cannabis products shall not add any cannabis flower, cannabis concentrate, synthetically derived cannabinoid, hemp plant part, or hemp concentrate to a product where the manufacturer of the product holds a

trademark to the product's name, except that a business licensed or authorized to manufacture cannabis products may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the business licensed or authorized to manufacture cannabis products does not state or advertise to the customer that the final retail cannabis product, lower-potency hemp edible, or hemp-derived consumer product contains a trademarked food product.

Subd. 5. **Exception.** Nothing in this section applies to the operations of a lower-potency hemp edible manufacturer.

Sec. 29. [342.27] ADULT-USE CANNABIS RETAILER LICENSING AND OPERATIONS.

Subdivision 1. **Authorized actions.** A cannabis retailer license entitles the license holder to:

(1) purchase immature cannabis plants and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, and cannabis wholesalers;

(2) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and other products authorized by law to customers; and

(3) perform other actions approved by the office.

Subd. 2. **Size limitations.** A cannabis retailer may operate up to five retail locations.

Subd. 3. **Additional information required.** In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis retail license must submit the following information in a form approved by the office:

(1) a list of every retail license held by the applicant and, if the applicant is a business, every retail license held, either as an individual or as part of another business, by each officer, director, manager, and general partner of the cannabis business;

(2) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems; policies to avoid sales to individuals who are under 21 years of age; identification of a restricted area for storage; and plans to prevent

70.1 the visibility of cannabis flower, cannabis products, lower-potency hemp edibles, and
70.2 hemp-derived consumer products to individuals outside the retail location; and

70.3 (3) evidence that the business will comply with the applicable operation requirements
70.4 for the license being sought.

70.5 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
70.6 cannabis retailer license may also hold a cannabis delivery service license, a medical cannabis
70.7 retailer license, and a cannabis event organizer license.

70.8 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
70.9 cannabis retailer license may own or operate any other cannabis business or hemp business.

70.10 (c) No person, cooperative, or business may hold a license to own or operate more than
70.11 one cannabis retail business in one city and three retail businesses in one county.

70.12 (d) The office by rule may limit the number of cannabis retailer licenses a person,
70.13 cooperative, or business may hold.

70.14 (e) For purposes of this subdivision, a restriction on the number or type of license a
70.15 business may hold applies to every cooperative member or every director, manager, and
70.16 general partner of a cannabis business.

70.17 Subd. 5. **Municipal or county cannabis store.** A city or county may establish, own,
70.18 and operate a municipal cannabis store subject to the restrictions in this chapter.

70.19 Subd. 6. **Limitations on health care practitioners.** A health care practitioner who
70.20 certifies qualifying medical conditions for patients is prohibited from:

70.21 (1) holding a direct or indirect economic interest in a cannabis retailer;

70.22 (2) serving as a cooperative member, director, manager, general partner, or employee
70.23 of a cannabis retailer; or

70.24 (3) advertising with a cannabis retailer in any way.

70.25 Subd. 7. **Remuneration.** A cannabis retailer is prohibited from:

70.26 (1) accepting or soliciting any form of remuneration from a health care practitioner who
70.27 certifies qualifying medical conditions for patients; or

70.28 (2) offering any form of remuneration to a health care practitioner who certifies qualifying
70.29 medical conditions for patients.

71.1 Sec. 30. **[342.28] RETAIL SALE OF CANNABIS FLOWER AND PRODUCTS;**
71.2 **GENERAL REQUIREMENTS.**

71.3 Subdivision 1. **Applicability.** Every cannabis business with a license or endorsement
71.4 authorizing the retail sale of cannabis flower or cannabis products must comply with the
71.5 requirements of this section.

71.6 Subd. 2. **Sale of cannabis flower and cannabis products.** (a) A cannabis business with
71.7 a license or endorsement authorizing the retail sale of cannabis flower or cannabis products
71.8 may only sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
71.9 cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to
71.10 individuals who are at least 21 years of age.

71.11 (b) A cannabis business with a license or endorsement authorizing the retail sale of
71.12 adult-use cannabis flower or adult-use cannabis products may sell immature cannabis plants
71.13 and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp
71.14 edibles, and hemp-derived consumer products that:

71.15 (1) are obtained from a business licensed under this chapter; and

71.16 (2) meet all applicable packaging and labeling requirements.

71.17 (c) A cannabis business with a license or endorsement authorizing the retail sale of
71.18 cannabis flower or cannabis products may sell up to two ounces of adult-use cannabis flower
71.19 or hemp-derived consumer products consisting primarily of hemp plant parts, eight grams
71.20 of adult-use cannabis concentrate or hemp-derived consumer products consisting primarily
71.21 of hemp concentrate or synthetically derived cannabinoids, and edible cannabis products
71.22 and lower-potency hemp edibles infused with 800 milligrams of tetrahydrocannabinol during
71.23 a single transaction to a customer.

71.24 (d) Edible cannabis products and hemp-derived consumer products intended to be eaten
71.25 or consumed as a beverage may not include more than ten milligrams of tetrahydrocannabinol
71.26 per serving and a single package may not include more than a total of 100 milligrams of
71.27 tetrahydrocannabinol. A package may contain multiple servings of ten milligrams of
71.28 tetrahydrocannabinol provided that each serving is indicated by scoring, wrapping, or other
71.29 indicators designating the individual serving size.

71.30 Subd. 3. **Sale of other products.** (a) A cannabis business with a license or endorsement
71.31 authorizing the retail sale of cannabis flower or cannabis products may sell cannabis
71.32 paraphernalia, including but not limited to childproof packaging containers and other devices
71.33 designed to ensure the safe storage and monitoring of cannabis flower, cannabis products,

72.1 lower-potency hemp edibles, and hemp-derived consumer products in the home to prevent
72.2 access by individuals under 21 years of age.

72.3 (b) A cannabis business with a license or endorsement authorizing the retail sale of
72.4 cannabis flower or cannabis products may sell hemp-derived topical products.

72.5 (c) A cannabis business with a license or endorsement authorizing the retail sale of
72.6 cannabis flower or cannabis products may sell the following products that do not contain
72.7 cannabis flower, cannabis concentrate, hemp concentrate, synthetically derived cannabinoids,
72.8 or tetrahydrocannabinol:

72.9 (1) drinks that do not contain alcohol and are packaged in sealed containers labeled for
72.10 retail sale;

72.11 (2) books and videos on the cultivation and use of cannabis flower and products that
72.12 contain cannabinoids;

72.13 (3) magazines and other publications published primarily for information and education
72.14 on cannabis plants, cannabis flower, and products that contain cannabinoids;

72.15 (4) multiple-use bags designed to carry purchased items;

72.16 (5) clothing marked with the specific name, brand, or identifying logo of the retailer;
72.17 and

72.18 (6) hemp fiber products and products that contain hemp grain.

72.19 Subd. 4. **Age verification.** (a) Prior to initiating a sale, an employee of a cannabis
72.20 business with a license or endorsement authorizing the retail sale of cannabis flower or
72.21 cannabis products must verify that the customer is at least 21 years of age.

72.22 (b) Proof of age may be established only by one of the following:

72.23 (1) a valid driver's license or identification card issued by Minnesota, another state, or
72.24 a province of Canada and including the photograph and date of birth of the licensed person;

72.25 (2) a valid Tribal identification card as defined in section 171.072, paragraph (b);

72.26 (3) a valid passport issued by the United States;

72.27 (4) a valid instructional permit issued under section 171.05 to a person of legal age to
72.28 purchase adult-use cannabis flower or adult-use cannabis products, which includes a
72.29 photograph and the date of birth of the person issued the permit; or

72.30 (5) in the case of a foreign national, a valid passport.

(c) A retailer may seize a form of identification listed under paragraph (b) 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 a law enforcement agency within 24 hours of seizing it.

Subd. 5. **Display of cannabis flower and products.** (a) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must designate a retail area where customers are permitted. The retail area shall include the portion of the premises where samples of cannabis flower and cannabis products available for sale are displayed. All other cannabis flower and cannabis products must be stored in the secure storage area.

(b) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may display one sample of each type of cannabis flower or cannabis product available for sale. Samples of cannabis flower and cannabis products must be stored in a sample jar or display case and be accompanied by a label or notice containing the information required to be affixed to the packaging or container containing cannabis flower and cannabis products sold to customers. A sample may not consist of more than eight grams of adult-use cannabis flower or adult-use cannabis concentrate or an edible cannabis product infused with more than 100 milligrams of tetrahydrocannabinol. A cannabis retailer may allow customers to smell the cannabis flower or cannabis product before purchase.

(c) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may not sell cannabis flower or cannabis products used as a sample for display. If the retailer uses display samples of lower-potency hemp edibles or hemp-derived consumer products, the retailer may not sell the product used as a sample for display.

Subd. 6. **Posting of notices.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must post all notices as required by the office, including but not limited to:

(1) information about any product recall;

(2) a statement that operating a motor vehicle under the influence of intoxicating cannabinoids is illegal; and

(3) a statement that cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products are only intended for consumption by individuals who are at least 21 years of age.

Subd. 7. **Hours of operation.** (a) Except as provided by paragraph (b), a cannabis retailer may not sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products:

(1) on Sundays, except between the hours of 11:00 a.m. and 6:00 p.m.;

(2) before 8:00 a.m. or after 10:00 p.m. on Monday through Saturday;

(3) on Thanksgiving Day;

(4) on Christmas Day, December 25; or

(5) after 8:00 p.m. on Christmas Eve, December 24.

(b) A city or county may adopt an ordinance to permit sales between 10:00 p.m. and 8:00 a.m. on the days of Monday through Saturday or Sunday before 11:00 a.m. or after 6:00 p.m.

(c) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products may not be open to the public or sell any other products at times when it is prohibited from selling cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products.

Subd. 8. **Building conditions.** (a) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall maintain compliance with state and local building, fire, and zoning requirements or regulations.

(b) A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall ensure that the licensed premises is maintained in a clean and sanitary condition, free from infestation by insects, rodents, or other pests.

Subd. 9. **Security.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products shall maintain compliance with security requirements established by the office, including but not limited to requirements for maintaining video surveillance records, use of specific locking mechanisms, establishment of secure entries, and the number of employees working at all times.

Subd. 10. **Lighting.** A cannabis business with a license or endorsement authorizing the retail sale of cannabis flower or cannabis products must keep all lighting outside and inside the dispensary in good working order and wattage sufficient for security cameras.

75.1 Subd. 11. **Deliveries.** A cannabis business with a license or endorsement authorizing
75.2 the retail sale of cannabis flower or cannabis products may only accept deliveries of cannabis
75.3 flower, cannabis products, and hemp-derived consumer products into a limited access area.
75.4 Deliveries may not be accepted through the public access areas unless otherwise approved
75.5 by the office.

75.6 Subd. 12. **Prohibitions.** A cannabis business with a license or endorsement authorizing
75.7 the retail sale of cannabis flower or cannabis products shall not:

75.8 (1) sell cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
75.9 consumer products to a person who is visibly intoxicated;

75.10 (2) knowingly sell more cannabis flower, cannabis products, lower-potency hemp edibles,
75.11 or hemp-derived consumer products than a customer is legally permitted to possess;

75.12 (3) give away immature cannabis plants or seedlings, cannabis flower, cannabis products,
75.13 lower-potency hemp edibles, or hemp-derived consumer products;

75.14 (4) operate a drive-through window;

75.15 (5) allow for the dispensing of cannabis plants, cannabis flower, cannabis products,
75.16 lower-potency hemp edibles, or hemp-derived consumer products in vending machines; or

75.17 (6) sell cannabis plants, cannabis flower, or cannabis products if the cannabis retailer
75.18 knows that any required security or statewide monitoring systems are not operational.

75.19 Subd. 13. **Adult-use and medical cannabis; co-location.** (a) A cannabis business with
75.20 a license or endorsement authorizing the retail sale of adult-use cannabis flower or adult-use
75.21 cannabis products that is also a licensed medical cannabis retailer may sell medical cannabis
75.22 flower and medical cannabinoid products on a portion of its premises.

75.23 (b) The portion of the premises in which medical cannabis flower and medical
75.24 cannabinoid products are sold must be definite and distinct from all other areas of the
75.25 cannabis retailer and must provide an appropriate space for a pharmacist employee of the
75.26 medical cannabis retailer to consult with a patient to determine the proper type of medical
75.27 cannabis flower and medical cannabinoid products and proper dosage for the patient.

75.28 Subd. 14. **Exception.** Nothing in this section applies to the operations of a lower-potency
75.29 hemp edible retailer.

76.1 Sec. 31. **[342.29] CANNABIS MICROBUSINESS LICENSING AND OPERATIONS.**

76.2 Subdivision 1. **Authorized actions.** A cannabis microbusiness license, consistent with
76.3 the specific license endorsement or endorsements, entitles the license holder to perform any
76.4 or all of the following within the limits established by this section:

76.5 (1) grow cannabis plants from seed or immature plant to mature plant and harvest
76.6 cannabis flower from mature plants;

76.7 (2) make cannabis concentrate;

76.8 (3) make hemp concentrate, including hemp concentrate with a delta-9
76.9 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;

76.10 (4) manufacture synthetically derived cannabinoids;

76.11 (5) manufacture adult-use cannabis products, lower-potency hemp edibles, and
76.12 hemp-derived consumer products for public consumption;

76.13 (6) purchase immature cannabis plants and seedlings and cannabis flower from another
76.14 cannabis microbusiness, a cannabis mezzobusiness, a cannabis manufacturer, or a cannabis
76.15 wholesaler;

76.16 (7) purchase hemp plant parts from an industrial hemp grower;

76.17 (8) purchase cannabis concentrate, hemp concentrate, and synthetically derived
76.18 cannabinoids from another cannabis microbusiness, a cannabis mezzobusiness, a cannabis
76.19 manufacturer, or a cannabis wholesaler for use in manufacturing adult-use cannabis products,
76.20 lower-potency hemp edibles, or hemp-derived consumer products;

76.21 (9) package and label adult-use cannabis flower, adult-use cannabis products,
76.22 lower-potency hemp edibles, and hemp-derived consumer products for sale to customers;

76.23 (10) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
76.24 cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and
76.25 other products authorized by law to other cannabis businesses and to customers;

76.26 (11) operate an establishment that permits on-site consumption of edible cannabis
76.27 products and lower-potency hemp edibles; and

76.28 (12) perform other actions approved by the office.

76.29 Subd. 2. **Size limitations.** (a) A cannabis microbusiness that cultivates cannabis may
76.30 cultivate up to 2,000 square feet of plant canopy unless the office, by rule, increases that
76.31 limit. The office may, by rule, increase the limit on plant canopy to no more than 5,000

77.1 square feet if the office determines that expansion is consistent with the goals identified in
77.2 section 342.02, subdivision 1. A cannabis microbusiness may not operate multiple tiers of
77.3 cultivation.

77.4 (b) The office shall, by rule, establish a limit on the manufacturing of cannabis products,
77.5 lower-potency hemp edibles, or hemp-derived consumer products that a cannabis
77.6 microbusiness manufacturing such products may perform. The limit must be equivalent to
77.7 the amount of cannabis flower that can be harvested from a facility with a plant canopy of
77.8 2,000 square feet in a year, but may be increased to the amount that can be harvested from
77.9 a facility with up to 5,000 square feet of plant canopy if the office expands the allowable
77.10 area of cultivation under paragraph (a).

77.11 (c) A cannabis microbusiness with the appropriate endorsement may operate one retail
77.12 location.

77.13 Subd. 3. **Additional information required.** In addition to the information required to
77.14 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,
77.15 a person, cooperative, or business seeking a cannabis microbusiness license must submit
77.16 the following information in a form approved by the office:

77.17 (1) an operating plan demonstrating the proposed layout of the facility, including a
77.18 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
77.19 any cultivation or manufacturing activities; plans for providing electricity, water, and other
77.20 utilities necessary for the normal operation of any cultivation or manufacturing activities;
77.21 plans for compliance with applicable building codes and federal and state environmental
77.22 and workplace safety requirements and policies; and plans to avoid sales to unlicensed
77.23 cannabis businesses and individuals under 21 years of age;

77.24 (2) if the applicant is seeking an endorsement to cultivate cannabis plants and harvest
77.25 cannabis flower, a cultivation plan demonstrating the proposed size and layout of the
77.26 cultivation facility that will be used exclusively for cultivation including the total amount
77.27 of plant canopy;

77.28 (3) if the applicant is seeking an endorsement to create cannabis concentrate, hemp
77.29 concentrate, or synthetically derived cannabinoids, information identifying all methods of
77.30 extraction, concentration, or conversion that the applicant intends to use and the volatile
77.31 chemicals and catalysts, if any, that will be involved in extraction, concentration, or creation;
77.32 and

77.33 (4) evidence that the applicant will comply with the applicable operation requirements
77.34 for the license being sought.

78.1 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
78.2 cannabis microbusiness license may also hold a cannabis event organizer license.

78.3 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
78.4 cannabis microbusiness license may own or operate any other cannabis business or hemp
78.5 business or hold more than one cannabis microbusiness license.

78.6 (c) For purposes of this subdivision, a restriction on the number or type of license that
78.7 a business may hold applies to every cooperative member or every director, manager, and
78.8 general partner of a cannabis business.

78.9 Subd. 5. **Cultivation endorsement.** A cannabis microbusiness that cultivates cannabis
78.10 plants and harvests cannabis flower must comply with the requirements in section 342.25.

78.11 Subd. 6. **Extraction and concentration endorsement.** A cannabis microbusiness that
78.12 creates cannabis concentrate must comply with the requirements in section 342.26,
78.13 subdivisions 2 and 3.

78.14 Subd. 7. **Production of customer products endorsement.** A cannabis microbusiness
78.15 that manufactures edible cannabis products, lower-potency hemp products, or hemp-derived
78.16 consumer products must comply with the requirements in section 342.26, subdivisions 2
78.17 and 4.

78.18 Subd. 8. **Retail operations endorsement.** A cannabis microbusiness that operates a
78.19 retail location must comply with the requirements in section 342.27.

78.20 Subd. 9. **On-site consumption endorsement.** (a) A cannabis microbusiness may permit
78.21 on-site consumption of edible cannabis products and lower-potency hemp edibles on a
78.22 portion of its premises.

78.23 (b) The portion of the premises in which on-site consumption is permitted must be
78.24 definite and distinct from all other areas of the microbusiness and must be accessed through
78.25 a distinct entrance.

78.26 (c) Edible cannabis products and lower-potency hemp edibles sold for on-site
78.27 consumption must comply with this chapter and rules adopted pursuant to this chapter
78.28 regarding the testing, packaging, and labeling of cannabis products.

78.29 (d) Edible cannabinoid products and lower-potency hemp edibles sold for on-site
78.30 consumption must be served in the required packaging, but may be removed from the
78.31 products' packaging by customers and consumed on site.

79.1 (e) Food and beverages not otherwise prohibited by this subdivision may be prepared
79.2 and sold on site provided that the cannabis microbusiness complies with all relevant state
79.3 and local laws, ordinances, licensing requirements, and zoning requirements.

79.4 (f) A cannabis microbusiness shall ensure that the display and consumption of any edible
79.5 cannabis product or lower-potency hemp edible is not visible from outside of the licensed
79.6 premises of the business.

79.7 (g) A cannabis microbusiness may offer recorded or live entertainment provided that
79.8 the cannabis microbusiness complies with all relevant state and local laws, ordinances,
79.9 licensing requirements, and zoning requirements.

79.10 (h) A cannabis microbusiness may not:

79.11 (1) sell an edible cannabis product or a lower-potency hemp edible to an individual who
79.12 is under 21 years of age;

79.13 (2) permit an individual who is under 21 years of age to enter the premises;

79.14 (3) sell more than one single serving of an edible cannabis product or a lower-potency
79.15 hemp edible to a customer;

79.16 (4) sell an edible cannabis product or a lower-potency hemp edible to a person who is
79.17 visibly intoxicated;

79.18 (5) sell or allow the sale or consumption of alcohol or tobacco on the premises;

79.19 (6) sell products that are intended to be eaten or consumed as a drink, other than packaged
79.20 and labeled edible cannabis products and lower-potency hemp edibles, and that contain
79.21 cannabis flower or hemp plant parts or are infused with cannabis concentrate, hemp
79.22 concentrate, or synthetically derived cannabinoids;

79.23 (7) permit edible cannabis products or lower-potency hemp edibles sold in the portion
79.24 of the area designated for on-site consumption to be removed from that area;

79.25 (8) permit adult-use cannabis flower, adult-use cannabis products, hemp-derived consumer
79.26 products, or tobacco to be consumed through smoking or a vaporized delivery method on
79.27 the premises; or

79.28 (9) distribute or allow free samples of cannabis flower, cannabis products, lower-potency
79.29 hemp edibles, or hemp-derived consumer products.

80.1 Sec. 32. **[342.30] CANNABIS WHOLESALER LICENSING.**

80.2 Subdivision 1. **Authorized actions.** A cannabis wholesaler license entitles the license
80.3 holder to:

80.4 (1) purchase immature cannabis plants and seedlings, cannabis flower, cannabis products,
80.5 lower-potency hemp edibles, and hemp-derived consumer products from cannabis
80.6 microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers,
80.7 and cannabis microbusinesses;

80.8 (2) purchase hemp plant parts from industrial hemp growers;

80.9 (3) sell immature cannabis plants and seedlings, cannabis flower, cannabis products,
80.10 lower-potency hemp edibles, and hemp-derived consumer products to cannabis
80.11 microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, and cannabis retailers;

80.12 (4) sell lower-potency hemp edibles to lower-potency hemp edible retailers;

80.13 (5) import hemp-derived consumer products and lower-potency hemp edibles that contain
80.14 hemp concentrate or synthetically derived cannabinoids that are derived from hemp plants
80.15 or hemp plant parts; and

80.16 (6) perform other actions approved by the office.

80.17 Subd. 2. **Additional information required.** In addition to the information required to
80.18 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,
80.19 a person, cooperative, or business seeking a cannabis wholesaler license must submit the
80.20 following information in a form approved by the office:

80.21 (1) an operating plan demonstrating the proposed layout of the facility including a
80.22 diagram of ventilation and filtration systems and policies to avoid sales to unlicensed
80.23 cannabis businesses; and

80.24 (2) evidence that the business will comply with the applicable operation requirements
80.25 for the license being sought.

80.26 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
80.27 cannabis wholesaler license may also hold a cannabis transporter license, a cannabis delivery
80.28 service license, and a cannabis event organizer license.

80.29 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
80.30 cannabis wholesaler license may own or operate any other cannabis business or hemp
80.31 business.

81.1 (c) The office by rule may limit the number of cannabis wholesaler licenses a person or
81.2 business may hold.

81.3 (d) For purposes of this subdivision, a restriction on the number or type of license a
81.4 business may hold applies to every cooperative member or every director, manager, and
81.5 general partner of a cannabis business.

81.6 Sec. 33. **[342.31] CANNABIS MEZZOBUSINESS LICENSING AND OPERATIONS.**

81.7 Subdivision 1. **Authorized actions.** A cannabis mezzobusiness license, consistent with
81.8 the specific license endorsement or endorsements, entitles the license holder to perform any
81.9 or all of the following within the limits established by this section:

81.10 (1) grow cannabis plants from seed or immature plant to mature plant and harvest
81.11 cannabis flower from mature plants;

81.12 (2) make cannabis concentrate;

81.13 (3) make hemp concentrate, including hemp concentrate with a delta-9
81.14 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;

81.15 (4) manufacture synthetically derived cannabinoids;

81.16 (5) manufacture adult-use cannabis products, lower-potency hemp edibles, and
81.17 hemp-derived consumer products for public consumption;

81.18 (6) purchase immature cannabis plants and seedlings and cannabis flower from a cannabis
81.19 microbusiness, another cannabis mezzobusiness, a cannabis manufacturer, or a cannabis
81.20 wholesaler;

81.21 (7) purchase cannabis concentrate, hemp concentrate, and synthetically derived
81.22 cannabinoids from a cannabis microbusiness, another cannabis mezzobusiness, a cannabis
81.23 manufacturer, or a cannabis wholesaler for use in manufacturing adult-use cannabis products,
81.24 lower-potency hemp edibles, or hemp-derived consumer products;

81.25 (8) purchase hemp plant parts from a licensed hemp grower;

81.26 (9) package and label adult-use cannabis flower, adult-use cannabis products,
81.27 lower-potency hemp edibles, and hemp-derived consumer products for sale to customers;

81.28 (10) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
81.29 cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and
81.30 other products authorized by law to other cannabis businesses and to customers; and

81.31 (11) perform other actions approved by the office.

82.1 Subd. 2. **Size limitations.** (a) A cannabis mezzobusiness that cultivates cannabis may
82.2 cultivate up to 5,000 square feet of plant canopy unless the office, by rule, increases that
82.3 limit. The office may, by rule, increase the limit on plant canopy to no more than 15,000
82.4 cubic feet if the office determines that expansion is consistent with the goals identified in
82.5 section 342.02, subdivision 1. A cannabis mezzobusiness may not operate multiple tiers of
82.6 cultivation unless authorized by the office.

82.7 (b) The office shall, by rule, establish a limit on the manufacturing of cannabis products,
82.8 lower-potency hemp edibles, or hemp-derived consumer products a cannabis mezzobusiness
82.9 that manufactures such products may perform. The limit must be equivalent to the amount
82.10 of cannabis flower that can be harvested from a facility with a plant canopy of 5,000 square
82.11 feet in a year, but may be increased to the amount that can be harvested from a facility with
82.12 up to 15,000 cubic feet of plant canopy if the office expands the allowable area of cultivation
82.13 under paragraph (a).

82.14 (c) A cannabis mezzobusiness with the appropriate endorsement may operate up to three
82.15 retail locations.

82.16 Subd. 3. **Additional information required.** In addition to the information required to
82.17 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,
82.18 a person, cooperative, or business seeking a cannabis mezzobusiness license must submit
82.19 the following information in a form approved by the office:

82.20 (1) an operating plan demonstrating the proposed layout of the facility, including a
82.21 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
82.22 any cultivation or manufacturing activities; plans for providing electricity, water, and other
82.23 utilities necessary for the normal operation of any cultivation or manufacturing activities;
82.24 plans for compliance with applicable building codes and federal and state environmental
82.25 and workplace safety requirements and policies; and plans to avoid sales to unlicensed
82.26 cannabis businesses and individuals under 21 years of age;

82.27 (2) if the applicant is seeking an endorsement to cultivate cannabis plants and harvest
82.28 cannabis flower, a cultivation plan demonstrating the proposed size and layout of the
82.29 cultivation facility that will be used exclusively for cultivation including the total amount
82.30 of plant canopy;

82.31 (3) if the applicant is seeking an endorsement to create cannabis concentrate, hemp
82.32 concentrate, or synthetically derived cannabinoids, information identifying all methods of
82.33 extraction, concentration, or conversion that the applicant intends to use and the volatile

83.1 chemicals and catalysts, if any, that will be involved in extraction, concentration, or creation;
83.2 and

83.3 (4) evidence that the applicant will comply with the applicable operation requirements
83.4 for the license being sought.

83.5 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
83.6 cannabis mezzobusiness license may also hold a cannabis event organizer license.

83.7 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
83.8 cannabis mezzobusiness license may own or operate any other cannabis business or hemp
83.9 business or hold more than one cannabis mezzobusiness license.

83.10 (c) For purposes of this subdivision, a restriction on the number or type of license that
83.11 a business may hold applies to every cooperative member or every director, manager, and
83.12 general partner of a cannabis business.

83.13 Subd. 5. **Cultivation endorsement.** A cannabis mezzobusiness that cultivates cannabis
83.14 plants and harvests cannabis flower must comply with the requirements in section 342.25.

83.15 Subd. 6. **Extraction and concentration endorsement.** A cannabis mezzobusiness that
83.16 creates cannabis concentrate must comply with the requirements in section 342.26,
83.17 subdivisions 2 and 3.

83.18 Subd. 7. **Production of customer products endorsement.** A cannabis mezzobusiness
83.19 that manufacturers edible cannabis products, lower-potency hemp products, or hemp-derived
83.20 consumer products must comply with the requirements in section 342.26, subdivisions 2
83.21 and 4.

83.22 Subd. 8. **Retail operations endorsement.** A cannabis mezzobusiness that operates a
83.23 retail location must comply with the requirements in section 342.27.

83.24 Subd. 9. **Co-location.** (a) A cannabis mezzobusiness that is also a licensed medical
83.25 cannabis retailer may sell medical cannabis flower and medical cannabinoid products on a
83.26 portion of its premises.

83.27 (b) The portion of the premises in which medical cannabis flower and medical
83.28 cannabinoid products are sold must be definite and distinct from all other areas of the
83.29 cannabis mezzobusiness and must provide an appropriate space for a pharmacist employee
83.30 of a medical cannabis retailer to consult with the patient to determine the proper type of
83.31 medical cannabis flower and medical cannabinoid products and proper dosage for the patient.

84.1 Sec. 34. **[342.32] CANNABIS WHOLESALER OPERATIONS.**

84.2 Subdivision 1. **Separation of products.** A cannabis wholesaler must ensure that cannabis
84.3 plants, cannabis flower, and cannabis products are physically separated from all other
84.4 products, including but not limited to lower-potency hemp edibles and hemp-derived
84.5 consumer products, in a manner that prevents any cross-contamination.

84.6 Subd. 2. **Records and labels.** A cannabis wholesaler must maintain accurate records
84.7 and ensure that appropriate labels remain affixed to cannabis plants, cannabis flower,
84.8 cannabis products, lower-potency hemp edibles, and hemp-derived consumer products.

84.9 Subd. 3. **Building conditions.** (a) A cannabis wholesaler shall maintain compliance
84.10 with state and local building, fire, and zoning requirements or regulations.

84.11 (b) A cannabis wholesaler shall ensure that the licensed premises is maintained in a
84.12 clean and sanitary condition, free from infestation by insects, rodents, or other pests.

84.13 Subd. 4. **Sale of other products.** A cannabis wholesaler may purchase and sell other
84.14 products or items for which the cannabis wholesaler has a license or authorization or that
84.15 do not require a license or authorization. Products for which no license or authorization is
84.16 required include but are not limited to industrial hemp products, products that contain hemp
84.17 grain, hemp-derived topical products, and cannabis paraphernalia, including but not limited
84.18 to childproof packaging containers and other devices designed to ensure the safe storage
84.19 and monitoring of cannabis flower and cannabis products in the home to prevent access by
84.20 individuals under 21 years of age.

84.21 Subd. 5. **Importation of hemp-derived products.** (a) A cannabis wholesaler that imports
84.22 lower-potency hemp edibles or hemp-derived consumer products, other than hemp-derived
84.23 topical products, that are manufactured outside the boundaries of the state of Minnesota
84.24 with the intent to sell the products to a cannabis microbusiness, cannabis mezzobusiness,
84.25 cannabis retailer, or lower-potency hemp edible retailer must obtain a hemp-derived product
84.26 importer endorsement from the office.

84.27 (b) A cannabis wholesaler with a hemp-derived product importer endorsement may sell
84.28 products manufactured outside the boundaries of the state of Minnesota if:

84.29 (1) the manufacturer is licensed in another jurisdiction and subject to regulations designed
84.30 to protect the health and safety of consumers that the office determines are substantially
84.31 similar to the regulations in this state; or

(2) the cannabis wholesaler establishes, to the satisfaction of the office, that the manufacturer engages in practices that are substantially similar to the practices required for licensure of manufacturers in this state.

(c) The cannabis wholesaler must enter all relevant information regarding an imported hemp-derived consumer product into the statewide monitoring system before the product may be distributed. Relevant information includes information regarding the cultivation, processing, and testing of the industrial hemp used in the manufacture of the product and information regarding the testing of the hemp-derived consumer product. If information regarding the industrial hemp or hemp-derived consumer product was submitted to a statewide monitoring system used in another state, the office may require submission of any information provided to that statewide monitoring system and shall assist in the transfer of data from another state as needed and in compliance with any data classification established by either state.

(d) The office may suspend, revoke, or cancel the endorsement of a distributor who is prohibited from distributing products containing cannabinoids in any other jurisdiction, convicted of an offense involving the distribution of products containing cannabinoids in any other jurisdiction, or found liable for distributing any product that injured customers in any other jurisdiction. A cannabis wholesaler shall disclose all relevant information related to actions in another jurisdiction. Failure to disclose relevant information may result in disciplinary action by the office, including the suspension, revocation, or cancellation of an endorsement or license.

(e) Notwithstanding any law to the contrary, it shall not be a defense in any civil or criminal action that a licensed wholesaler relied on information on a product label or otherwise provided by a manufacturer who is not licensed in this state.

Sec. 35. **[342.33] CANNABIS TRANSPORTER LICENSING.**

Subdivision 1. **Authorized actions.** A cannabis transporter license entitles the license holder to transport immature cannabis plants and seedlings, cannabis flower, cannabis products, synthetically derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis retailers, medical cannabis processors, and industrial hemp growers to cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis testing facilities, cannabis wholesalers, cannabis retailers, lower-potency hemp edible product retailers, medical

86.1 cannabis processors, and medical cannabis retailers and perform other actions approved by
86.2 the office.

86.3 Subd. 2. **Additional information required.** In addition to the information required to
86.4 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,
86.5 a person, cooperative, or business seeking a cannabis transporter license must submit the
86.6 following information in a form approved by the office:

86.7 (1) an appropriate surety bond, certificate of insurance, qualifications as a self-insurer,
86.8 or other securities or agreements, in the amount of not less than \$300,000, for loss of or
86.9 damage to cargo;

86.10 (2) an appropriate surety bond, certificate of insurance, qualifications as a self-insurer,
86.11 or other securities or agreements, in the amount of not less than \$1,000,000, for injury to
86.12 one or more persons in any one accident and, if an accident has resulted in injury to or
86.13 destruction of property, of not less than \$100,000 because of such injury to or destruction
86.14 of property of others in any one accident;

86.15 (3) the number and type of equipment the business will use to transport immature cannabis
86.16 plants and seedlings, cannabis flower, cannabis products, synthetically derived cannabinoids,
86.17 hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived
86.18 consumer products;

86.19 (4) a loading, transporting, and unloading plan;

86.20 (5) a description of the applicant's experience in the distribution or security business;
86.21 and

86.22 (6) evidence that the business will comply with the applicable operation requirements
86.23 for the license being sought.

86.24 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
86.25 cannabis transporter license may also hold a cannabis wholesaler license, a cannabis delivery
86.26 service license, and a cannabis event organizer license.

86.27 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
86.28 cannabis transporter license may own or operate any other cannabis business.

86.29 (c) The office by rule may limit the number of cannabis transporter licenses a person or
86.30 business may hold.

(d) For purposes of this subdivision, restrictions on the number or type of license a business may hold apply to every cooperative member or every director, manager, and general partner of a cannabis business.

Sec. 36. **[342.34] CANNABIS TRANSPORTER OPERATIONS.**

Subdivision 1. **Manifest required.** Before transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, synthetically derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products, a cannabis transporter shall obtain a shipping manifest on a form established by the office. The manifest must be kept with the products at all times and the cannabis transporter must maintain a copy of the manifest in its records.

Subd. 2. **Records of transportation.** Records of transportation must be kept for a minimum of three years at the cannabis transporter's place of business and are subject to inspection upon request by the office or law enforcement agency. Records of transportation include the following:

(1) copies of transportation manifests for all deliveries;

(2) a transportation log documenting the chain of custody for each delivery, including every employee and vehicle used during transportation; and

(3) financial records showing payment for transportation services.

Subd. 3. **Storage compartment.** Immature cannabis plants and seedlings, cannabis flower, cannabis products, synthetically derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products must be transported in a locked, safe, and secure storage compartment that is part of the motor vehicle or in a locked storage container that has a separate key or combination pad. Items being transported may not be visible from outside the motor vehicle.

Subd. 4. **Identifying logos or business names prohibited.** No vehicle or trailer may contain an image depicting the types of items being transported, including but not limited to an image depicting a cannabis or hemp leaf, or a name suggesting that the vehicle is used in transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, synthetically derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products.

Subd. 5. **Randomized deliveries.** A cannabis transporter shall ensure that all delivery times and routes are randomized.

88.1 Subd. 6. **Multiple employees.** All cannabis transporter vehicles transporting immature
88.2 cannabis plants and seedlings, cannabis flower, cannabis products, synthetically derived
88.3 cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or
88.4 hemp-derived consumer products must be staffed with a minimum of two employees. At
88.5 least one delivery team member shall remain with the motor vehicle at all times that the
88.6 motor vehicle contains cannabis plants and seedlings, cannabis flower, cannabis products,
88.7 synthetically derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency
88.8 hemp edibles, or hemp-derived consumer products.

88.9 Subd. 7. **Nonemployee passengers prohibited.** Only a cannabis worker employed by
88.10 or contracted with the cannabis transporter and who is at least 21 years of age may transport
88.11 immature cannabis plants and seedlings, cannabis flower, cannabis products, synthetically
88.12 derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or
88.13 hemp-derived consumer products. All passengers in a vehicle must be cannabis workers
88.14 employed by or contracted with the cannabis transporter.

88.15 Subd. 8. **Drivers license required.** All drivers must carry a valid driver's license with
88.16 the proper endorsements when operating a vehicle transporting immature cannabis plants
88.17 and seedlings, cannabis flower, cannabis products, synthetically derived cannabinoids, hemp
88.18 plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer
88.19 products.

88.20 Subd. 9. **Vehicles subject to inspection.** Any vehicle assigned for the purposes of
88.21 transporting immature cannabis plants and seedlings, cannabis flower, cannabis products,
88.22 synthetically derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency
88.23 hemp edibles, or hemp-derived consumer products is subject to inspection and may be
88.24 stopped or inspected at any licensed cannabis business or while en route during transportation.

88.25 Sec. 37. **[342.35] CANNABIS TESTING FACILITY LICENSING.**

88.26 Subdivision 1. **Authorized actions.** A cannabis testing facility license entitles the license
88.27 holder to obtain and test immature cannabis plants and seedlings, cannabis flower, cannabis
88.28 products, hemp plant parts, hemp concentrate, synthetically derived cannabinoids,
88.29 lower-potency hemp edibles, and hemp-derived consumer products from cannabis
88.30 microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers,
88.31 cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis
88.32 cultivators, medical cannabis processors, and industrial hemp growers.

88.33 Subd. 2. **Additional information required.** In addition to the information required to
88.34 be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section,

89.1 a person, cooperative, or business seeking a cannabis testing facility license must submit
89.2 the following information in a form approved by the office:

89.3 (1) an operating plan demonstrating the proposed layout of the facility, including a
89.4 diagram of ventilation and filtration systems and policies to avoid sales to unlicensed
89.5 businesses;

89.6 (2) proof of accreditation by a laboratory accrediting organization approved by the office
89.7 that, at a minimum, requires a laboratory to operate formal management systems under the
89.8 International Organization for Standardization; and

89.9 (3) evidence that the business will comply with the applicable operation requirements
89.10 for the license being sought.

89.11 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
89.12 cannabis testing facility license may not own or operate, or be employed by, any other
89.13 cannabis business or hemp business.

89.14 (b) The office by rule may limit the number of cannabis testing facility licenses a person
89.15 or business may hold.

89.16 (c) For purposes of this subdivision, a restriction on the number of licenses a business
89.17 may hold applies to every cooperative member or every director, manager, and general
89.18 partner of a cannabis business.

89.19 Sec. 38. **[342.36] CANNABIS TESTING FACILITY OPERATIONS.**

89.20 Subdivision 1. **Testing services.** A cannabis testing facility shall provide some or all
89.21 testing services required under section 342.60 and rules adopted pursuant to that section.

89.22 Subd. 2. **Testing protocols.** A cannabis testing facility shall follow all testing protocols,
89.23 standards, and criteria adopted by rule by the office for the testing of different forms of
89.24 cannabis plants and seedlings, cannabis flower, cannabis products, lower-potency hemp
89.25 edibles, hemp-derived consumer products, hemp plant parts, hemp concentrate, and
89.26 synthetically derived cannabinoids; determining batch size; sampling; testing validity; and
89.27 the approval and disapproval of tested items.

89.28 Subd. 3. **Records.** Records of all business transactions and testing results; records
89.29 required to be maintained pursuant to any applicable standards for accreditation; and records
89.30 relevant to testing protocols, standards, and criteria adopted by the office must be kept for
89.31 a minimum of three years at the cannabis testing facility's place of business and are subject
89.32 to inspection upon request by the office or law enforcement agency.

90.1 Subd. 4. **Disposal of cannabis flower and cannabinoid products.** A testing facility
90.2 shall dispose of or destroy used, unused, and waste cannabis plants and seedlings, cannabis
90.3 flower, cannabis products, lower-potency hemp edibles, hemp-derived consumer products,
90.4 hemp plant parts, hemp concentrate, and synthetically derived cannabinoids, pursuant to
90.5 rules adopted by the office.

90.6 Sec. 39. **[342.37] CANNABIS EVENT ORGANIZER LICENSING.**

90.7 Subdivision 1. **Authorized actions.** A cannabis event organizer license entitles the
90.8 license holder to organize a temporary cannabis event lasting no more than four days.

90.9 Subd. 2. **Additional information required.** (a) In addition to the information required
90.10 to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that
90.11 section, a person, cooperative, or business seeking a cannabis event organizer license must
90.12 submit the following information in a form approved by the office:

90.13 (1) the type and number of any other cannabis business license held by the applicant;

90.14 (2) the address and location where the temporary cannabis event will take place;

90.15 (3) the name of the temporary cannabis event;

90.16 (4) a diagram of the physical layout of the temporary cannabis event showing where the
90.17 event will take place on the grounds; all entrances and exits that will be used by participants
90.18 during the event; all cannabis consumption areas; all cannabis retail areas where cannabis
90.19 flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products
90.20 will be sold; the location where cannabis waste will be stored; and any location where
90.21 cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
90.22 products will be stored;

90.23 (5) a list of the name, number, and type of cannabis businesses and hemp businesses
90.24 that will sell cannabis plants, adult-use cannabis flower, adult-use cannabis products, and
90.25 hemp-derived consumer products at the event, which may be supplemented or amended
90.26 within 72 hours of the time at which the cannabis event begins;

90.27 (6) the dates and hours during which the cannabis event will take place;

90.28 (7) proof of local approval for the cannabis event; and

90.29 (8) evidence that the business will comply with the applicable operation requirements
90.30 for the license being sought.

91.1 (b) A person, cooperative, or business seeking a cannabis event organizer license may
91.2 also disclose whether the person or any officer, director, manager, and general partner of a
91.3 cannabis business is serving or has previously served in the military.

91.4 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
91.5 cannabis event organizer license may not hold a cannabis testing facility license, a
91.6 lower-potency hemp edible manufacturer license, or a lower-potency hemp edible retailer
91.7 license.

91.8 (b) The office by rule may limit the number of cannabis event licenses that a person or
91.9 business may hold.

91.10 (c) For purposes of this subdivision, restrictions on the number or type of license that a
91.11 business may hold apply to every cooperative member or every director, manager, and
91.12 general partner of a cannabis business.

91.13 Sec. 40. **[342.38] CANNABIS EVENT ORGANIZER OPERATIONS.**

91.14 Subdivision 1. **Local approval.** A cannabis event organizer must receive local approval,
91.15 including obtaining any necessary permits or licenses issued by a local unit of government,
91.16 before holding a cannabis event.

91.17 Subd. 2. **Charging fees.** (a) A cannabis event organizer may charge an entrance fee to
91.18 a cannabis event.

91.19 (b) A cannabis event organizer may charge a fee to a cannabis business or hemp business
91.20 in exchange for space to display and sell cannabis plants, adult-use cannabis flower, adult-use
91.21 cannabis products, lower-potency hemp edibles, and hemp-derived consumer products. Any
91.22 fee paid for participation in a cannabis event shall not be based on or tied to the sale of
91.23 cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency
91.24 hemp edibles, or hemp-derived consumer products.

91.25 Subd. 3. **Security.** A cannabis event organizer must hire or contract for licensed security
91.26 personnel to provide security services at the cannabis event. All security personnel hired or
91.27 contracted for shall be at least 21 years of age and present on the licensed event premises
91.28 at all times that cannabis plants, adult-use cannabis flower, adult-use cannabis products,
91.29 lower-potency hemp edibles, or hemp-derived consumer products are available for sale or
91.30 consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp
91.31 edibles, or hemp-derived consumer products is allowed. The security personnel shall not
91.32 consume cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
91.33 consumer products for at least 24 hours before the event or during the event.

92.1 Subd. 4. **Limited access to event.** A cannabis event organizer shall ensure that access
92.2 to an event is limited to individuals who are at least 21 years of age. At or near each public
92.3 entrance to any area where the sale or consumption of adult-use cannabis flower, adult-use
92.4 cannabis products, lower-potency hemp edibles, or hemp-derived consumer products is
92.5 allowed, a cannabis event organizer shall maintain a clearly visible and legible sign consisting
92.6 of the following statement: "No persons under 21 allowed." The lettering of the sign shall
92.7 be not less than one inch in height.

92.8 Subd. 5. **Cannabis waste.** A cannabis event organizer shall ensure that all used, unused,
92.9 and waste cannabis plants, adult-use cannabis flower, adult-use cannabis products,
92.10 lower-potency hemp edibles, and hemp-derived consumer products that are not removed
92.11 by a customer, cannabis business, or hemp business are disposed of in a manner approved
92.12 by the office.

92.13 Subd. 6. **Transportation of cannabis plants, flower, and products.** All transportation
92.14 of cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency
92.15 hemp edibles, and hemp-derived consumer products intended for display or sale and all
92.16 such items used for display or not sold during the cannabis event must be transported to
92.17 and from the cannabis event by a licensed cannabis transporter.

92.18 Subd. 7. **Cannabis event sales.** (a) Cannabis microbusinesses with a retail endorsement,
92.19 cannabis mezzobusinesses with a retail endorsement, cannabis retailers, and lower-potency
92.20 hemp edible retailers, including the cannabis event organizer, may be authorized to sell
92.21 cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency
92.22 hemp edibles, and hemp-derived consumer products to customers at a cannabis event.

92.23 (b) All sales of cannabis plants, adult-use cannabis flower, adult-use cannabis products,
92.24 lower-potency hemp edibles, and hemp-derived consumer products at a cannabis event must
92.25 take place in a retail area as designated in the premises diagram.

92.26 (c) Authorized retailers may only conduct sales within their specifically assigned area.

92.27 (d) Authorized retailers must verify the age of all customers pursuant to section 342.28,
92.28 subdivision 4, before completing a sale and may not sell cannabis plants, adult-use cannabis
92.29 flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer
92.30 products to an individual under 21 years of age.

92.31 (e) Authorized retailers may display one sample of each type of cannabis plant, adult-use
92.32 cannabis flower, adult-use cannabis product, lower-potency hemp edible, and hemp-derived
92.33 consumer product available for sale. Samples of adult-use cannabis flower and adult-use
92.34 cannabis products must be stored in a sample jar or display case and be accompanied by a

93.1 label or notice containing the information required to be affixed to the packaging or container
93.2 containing adult-use cannabis flower and adult-use cannabis products sold to customers. A
93.3 sample may not consist of more than eight grams of adult-use cannabis flower or adult-use
93.4 cannabis concentrate, or an edible cannabis product infused with more than 100 milligrams
93.5 of tetrahydrocannabinol. A cannabis retailer may allow customers to smell the adult-use
93.6 cannabis flower or adult-use cannabis product before purchase.

93.7 (f) The notice requirements under section 342.28, subdivision 6, apply to authorized
93.8 cannabis retailers and licensed cannabis microbusinesses offering cannabis plants, adult-use
93.9 cannabis flower, adult-use cannabinoid products, and hemp-derived consumer products for
93.10 sale at a cannabis event.

93.11 (g) Authorized retailers may not:

93.12 (1) sell adult-use cannabis flower, adult-use cannabis products, lower-potency hemp
93.13 edibles, or hemp-derived consumer products to a person who is visibly intoxicated;

93.14 (2) knowingly sell more cannabis plants, adult-use cannabis flower, adult-use cannabis
93.15 products, lower-potency hemp edibles, or hemp-derived consumer products than a customer
93.16 is legally permitted to possess;

93.17 (3) sell medical cannabis flower or medical cannabinoid products;

93.18 (4) give away cannabis plants, cannabis flower, cannabis products, lower-potency hemp
93.19 edibles, or hemp-derived consumer products; or

93.20 (5) allow for the dispensing of cannabis plants, cannabis flower, cannabis products,
93.21 lower-potency hemp edibles, or hemp-derived consumer products in vending machines.

93.22 (h) Except for samples of a cannabis plant, adult-use cannabis flower, adult-use cannabis
93.23 product, lower-potency hemp edible, and hemp-derived consumer product, all cannabis
93.24 plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles,
93.25 and hemp-derived consumer products for sale at a cannabis event must be stored in a secure,
93.26 locked container that is not accessible to the public. Such items being stored at a cannabis
93.27 event shall not be left unattended.

93.28 (i) All cannabis plants, adult-use cannabis flower, adult-use cannabis products,
93.29 lower-potency hemp edibles, or hemp-derived consumer products for sale at a cannabis
93.30 event must comply with this chapter and rules adopted pursuant to this chapter regarding
93.31 the testing, packaging, and labeling of those items.

(j) All cannabis plants, adult-use cannabis flower, and adult-use cannabis products sold, damaged, or destroyed at a cannabis event must be recorded in the statewide monitoring system.

Subd. 8. Cannabis event on-site consumption. (a) If approved by the local unit of government, a cannabis event may designate an area for consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or any combination of those items.

(b) Access to areas where consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products is allowed shall be restricted to individuals who are at least 21 years of age.

(c) The cannabis event organizer shall ensure that consumption of adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products within a designated consumption area is not visible from any public place.

(d) The cannabis event organizer shall not permit consumption of alcohol or tobacco.

(e) The cannabis event organizer shall not permit smoking, according to section 144.413, of adult-use cannabis flower or cannabis products at any location where smoking is not permitted under sections 144.413 to 144.417. Nothing in this section prohibits a statutory or home rule charter city or county from enacting and enforcing more stringent measures to protect individuals from secondhand smoke or involuntary exposure to aerosol or vapor from electronic delivery devices.

Sec. 41. [342.39] CANNABIS DELIVERY SERVICE LICENSING.

Subdivision 1. Authorized actions. A cannabis delivery service license entitles the license holder to purchase cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from licensed cannabis retailers, licensed cannabis microbusinesses with a retail endorsement, cannabis mezzobusinesses with a retail endorsement, cannabis retailers, and medical cannabis retailers; transport and deliver cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumable products to customers; and perform other actions approved by the office.

Subd. 2. Additional information required. In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis delivery service license must submit the following information in a form approved by the office:

95.1 (1) a list of all vehicles to be used in the delivery of cannabis flower, cannabis products,
95.2 lower-potency hemp edibles, and hemp-derived consumer products including:

95.3 (i) the vehicle make, model, and color;

95.4 (ii) the vehicle identification number; and

95.5 (iii) the license plate number;

95.6 (2) proof of insurance for each vehicle;

95.7 (3) a business plan demonstrating policies to avoid sales of cannabis flower, cannabis
95.8 products, lower-potency hemp edibles, and hemp-derived consumer products to individuals
95.9 who are under 21 years of age and plans to prevent the visibility of cannabis flower, cannabis
95.10 products, lower-potency hemp edibles, and hemp-derived consumer products to individuals
95.11 outside the delivery vehicle; and

95.12 (4) evidence that the business will comply with the applicable operation requirements
95.13 for the license being sought.

95.14 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
95.15 cannabis delivery service license may also hold a cannabis retailer license, a cannabis
95.16 wholesaler license, a cannabis transporter license, a cannabis event organizer license, and
95.17 a medical cannabis retailer license subject to the ownership limitations that apply to those
95.18 licenses.

95.19 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
95.20 cannabis delivery service license may own or operate any other cannabis business or hemp
95.21 business.

95.22 (c) The office by rule may limit the number of cannabis delivery service licenses that a
95.23 person or business may hold.

95.24 (d) For purposes of this subdivision, a restriction on the number or type of license that
95.25 a business may hold applies to every cooperative member or every director, manager, and
95.26 general partner of a cannabis business.

95.27 **Sec. 42. [342.40] CANNABIS DELIVERY SERVICE OPERATIONS.**

95.28 Subdivision 1. **Age or registry verification.** Prior to completing a delivery, a cannabis
95.29 delivery service shall verify that the customer is at least 21 years of age or is enrolled in the
95.30 registry program. Section 342.28, subdivision 4, applies to the verification of a customer's
95.31 age. Registry verification issued by the Division of Medical Cannabis may be considered
95.32 evidence that the person is enrolled in the registry program.

96.1 Subd. 2. **Records.** The office by rule shall establish record-keeping requirements for a
96.2 cannabis delivery service, including but not limited to proof of delivery to individuals who
96.3 are at least 21 years of age or enrolled in the registry program.

96.4 Subd. 3. **Amount to be transported.** The office by rule shall establish limits on the
96.5 amount of cannabis flower, cannabis products, lower-potency hemp edibles, and
96.6 hemp-derived consumer products that a cannabis delivery service may transport.

96.7 Subd. 4. **Statewide monitoring system.** Receipt of cannabis flower and cannabis products
96.8 by the cannabis delivery service and a delivery to a customer must be recorded in the
96.9 statewide monitoring system within the time established by rule.

96.10 Subd. 5. **Storage compartment.** Cannabis flower, cannabis products, lower-potency
96.11 hemp edibles, and hemp-derived consumer products must be transported in a locked, safe,
96.12 and secure storage compartment that is part of the cannabis delivery service vehicle or in a
96.13 locked storage container that has a separate key or combination pad. Cannabis flower,
96.14 cannabis products, lower-potency hemp edibles, and hemp-derived consumer products may
96.15 not be visible from outside the cannabis delivery service vehicle.

96.16 Subd. 6. **Identifying logos or business names prohibited.** No cannabis delivery service
96.17 vehicle or trailer may contain an image depicting the types of items being transported,
96.18 including but not limited to an image depicting a cannabis or hemp leaf, or a name suggesting
96.19 that the cannabis delivery service vehicle is used for transporting cannabis flower, cannabis
96.20 products, lower-potency hemp edibles, or hemp-derived consumer products.

96.21 Subd. 7. **Nonemployee passengers prohibited.** Only a cannabis worker employed by
96.22 or contracted with the cannabis delivery service and who is at least 21 years of age may
96.23 transport cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived
96.24 consumer products. All passengers in a cannabis delivery service vehicle must be cannabis
96.25 workers employed by or contracted with the cannabis delivery service.

96.26 Subd. 8. **Vehicles subject to inspection.** Any cannabis delivery service vehicle is subject
96.27 to inspection and may be stopped or inspected at any licensed cannabis business or while
96.28 en route during transportation.

96.29 Sec. 43. **[342.41] LOWER-POTENCY HEMP EDIBLE RETAILER.**

96.30 Subdivision 1. **Sale of lower-potency hemp edibles.** (a) A lower-potency hemp edible
96.31 retailer may only sell lower-potency hemp edibles to individuals who are at least 21 years
96.32 of age.

96.33 (b) A lower-potency hemp edible retailer may sell lower-potency hemp edibles that:

97.1 (1) are obtained from a licensed Minnesota cannabis microbusiness, cannabis
97.2 mezzobusiness, cannabis manufacturer, cannabis wholesaler, or lower-potency hemp edible
97.3 manufacturer; and

97.4 (2) meet all applicable packaging and labeling requirements.

97.5 Subd. 2. **Sale of other products.** A lower-potency hemp edible retailer may sell other
97.6 products or items for which the lower-potency hemp edible retailer has a license or
97.7 authorization or that do not require a license or authorization.

97.8 Subd. 3. **Age verification.** Prior to initiating a sale, an employee of the lower-potency
97.9 hemp edible retailer must verify that the customer is at least 21 years of age. Section 342.28,
97.10 subdivision 4, applies to the verification of a customer's age.

97.11 Subd. 4. **Compliant products.** (a) A lower-potency hemp edible retailer shall ensure
97.12 that all lower-potency hemp edibles offered for sale comply with the limits on the amounts
97.13 and types of cannabinoids that a lower-potency hemp edible can contain, including but not
97.14 limited to the requirement that lower-potency hemp edibles:

97.15 (1) consist of servings that contain no more than five milligrams of delta-9
97.16 tetrahydrocannabinol, 25 milligrams of cannabidiol, 25 milligrams of cannabigerol per
97.17 serving, or any combination of those cannabinoids that does not exceed the identified
97.18 amounts;

97.19 (2) do not contain more than a combined total of 0.5 milligrams of all other cannabinoids;
97.20 and

97.21 (3) do not contain a synthetically derived cannabinoid other than delta-9
97.22 tetrahydrocannabinol.

97.23 (b) If a lower-potency hemp edible is packaged in a manner that includes more than a
97.24 single serving, the lower-potency hemp edible must indicate each serving by scoring,
97.25 wrapping, or other indicators that appear on the lower-potency hemp edible designating the
97.26 individual serving size. If the lower-potency hemp edible is meant to be consumed as a
97.27 beverage or it is not possible to indicate a single serving by scoring or use of another indicator
97.28 that appears on the product, the lower-potency hemp edible may not be packaged in a manner
97.29 that includes more than a single serving in each container.

97.30 (c) A single package containing multiple servings of a lower-potency hemp edible must
97.31 contain no more than 50 milligrams of delta-9 tetrahydrocannabinol, 250 milligrams of
97.32 cannabidiol, 250 milligrams of cannabigerol, or any combination of those cannabinoids that
97.33 does not exceed the identified amounts.

98.1 Subd. 5. **Prohibitions.** A lower-potency hemp edible retailer may not:

98.2 (1) sell lower-potency hemp edibles to an individual who is under 21 years of age;

98.3 (2) sell a lower-potency hemp edible to a person who is visibly intoxicated;

98.4 (3) sell cannabis flower, cannabis products, or hemp-derived consumer products;

98.5 (4) allow for the dispensing of lower-potency hemp edibles in vending machines; or

98.6 (5) distribute or allow free samples of lower-potency hemp edibles except when the
98.7 business is licensed to permit on-site consumption and samples are consumed within its
98.8 licensed premises.

98.9 Subd. 6. **On-site consumption.** (a) A lower-potency hemp edible retailer may permit
98.10 on-site consumption of lower-potency hemp edibles on a portion of its premises if it has an
98.11 on-site consumption endorsement.

98.12 (b) The office shall issue an on-site consumption endorsement to any lower-potency
98.13 hemp edible retailer that also holds an on-sale license issued under chapter 340A.

98.14 (c) Lower-potency hemp edibles sold for on-site consumption must comply with this
98.15 chapter and rules adopted pursuant to this chapter regarding testing.

98.16 (d) Lower-potency hemp edibles sold for on-site consumption, other than lower-potency
98.17 hemp edibles that are intended to be consumed as a beverage, must be served in the required
98.18 packaging, but may be removed from the product's packaging by customers and consumed
98.19 on site.

98.20 (e) Lower-potency hemp edibles that are intended to be consumed as a beverage may
98.21 be served outside of their packaging provided the information that is required to be contained
98.22 on the label of a lower-potency hemp edible is posted or otherwise displayed by the
98.23 lower-potency hemp edible retailer. Hemp workers who serve beverages under this paragraph
98.24 are not required to obtain an edible cannabis product handler endorsement under section
98.25 342.07, subdivision 3.

98.26 (f) Food and beverages not otherwise prohibited by this subdivision may be prepared
98.27 and sold on site provided that the lower-potency hemp edible retailer complies with all
98.28 relevant state and local laws, ordinances, licensing requirements, and zoning requirements.

98.29 (g) A lower-potency hemp edible retailer may offer recorded or live entertainment
98.30 provided that the lower-potency hemp edible retailer complies with all relevant state and
98.31 local laws, ordinances, licensing requirements, and zoning requirements.

99.1 (h) In addition to the prohibitions under this section, a lower-potency hemp edible retailer
99.2 with an on-site consumption endorsement may not:

99.3 (1) sell lower-potency hemp edibles to a customer who the lower-potency hemp edible
99.4 retailer knows or reasonably should know is intoxicated;

99.5 (2) sell lower-potency hemp edibles that are designed or reasonably expected to be mixed
99.6 with an alcoholic beverage; or

99.7 (3) permit lower-potency hemp edibles that have been removed from the product's
99.8 packaging to be removed from the premises of the lower-potency hemp edible retailer.

99.9 Subd. 7. **Posting of notices.** A lower-potency hemp edible retailer must post all notices
99.10 as provided in section 342.28, subdivision 6.

99.11 Subd. 8. **Building conditions.** (a) A lower-potency hemp edible retailer shall maintain
99.12 compliance with state and local building, fire, and zoning requirements or regulations.

99.13 (b) A lower-potency hemp edible retailer shall ensure that the licensed premises is
99.14 maintained in a clean and sanitary condition, free from infestation by insects, rodents, or
99.15 other pests.

99.16 Subd. 9. **Enforcement.** The office shall inspect lower-potency hemp edible retailers and
99.17 take enforcement action as provided in sections 342.17 and 342.18.

99.18 Sec. 44. **[342.42] MEDICAL CANNABIS BUSINESS LICENSES.**

99.19 Subdivision 1. **License types.** (a) The office shall issue the following types of medical
99.20 cannabis business licenses:

99.21 (1) medical cannabis cultivator;

99.22 (2) medical cannabis processor; and

99.23 (3) medical cannabis retailer.

99.24 (b) The Division of Medical Cannabis may oversee the licensing and regulation of
99.25 medical cannabis businesses.

99.26 Subd. 2. **Multiple licenses; limits.** (a) A person, cooperative, or business holding:

99.27 (1) a medical cannabis cultivator license may also hold a medical cannabis processor
99.28 license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event
99.29 organizer license subject to the ownership limitations that apply to those licenses;

(2) a medical cannabis processor license may also hold a medical cannabis cultivator license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses; or

(3) a medical cannabis retailer license may also hold a cannabis retailer license, a cannabis delivery service license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses.

(b) Except as provided in paragraph (a), no person, cooperative, or business holding a medical cannabis license may own or operate any other cannabis business.

(c) The office by rule may limit the number of medical cannabis business licenses that a person or business may hold.

(d) For purposes of this subdivision, a restriction on the number of licenses or type of license that a business may hold applies to every cooperative member or every director, manager, and general partner of a medical cannabis business.

Subd. 3. **Limitations on health care practitioners.** A health care practitioner who certifies qualifying medical conditions for patients is prohibited from:

(1) holding a direct or indirect economic interest in a medical cannabis business;

(2) serving on a board of directors or as an employee of a medical cannabis business;

or

(3) advertising with a medical cannabis business in any way.

Subd. 4. **Remuneration.** A medical cannabis business is prohibited from:

(1) accepting or soliciting any form of remuneration from a health care practitioner who certifies qualifying medical conditions for patients; or

(2) offering any form of remuneration to a health care practitioner who certifies qualifying medical conditions for patients.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 45. **[342.43] HEMP BUSINESS LICENSE TYPES; MULTIPLE LICENSES.**

Subdivision 1. **License types.** The office shall issue the following types of hemp business licenses:

(1) lower-potency hemp edible manufacturer; and

(2) lower-potency hemp edible retailer.

101.1 Subd. 2. **Multiple licenses; limits.** (a) A person, cooperative, or business may hold both
101.2 a lower-potency hemp edible manufacturer and lower-potency hemp edible retailer license.

101.3 (b) Nothing in this section prohibits a person, cooperative, or business from holding a
101.4 lower-potency hemp edible manufacturer license or a lower-potency hemp edible retailer
101.5 license, or both, and also holding a license to cultivate industrial hemp issued pursuant to
101.6 chapter 18K.

101.7 (c) Nothing in this section prohibits a person, cooperative, or business from holding a
101.8 lower-potency hemp edible manufacturer license or a lower-potency hemp edible retailer
101.9 license, or both, and also holding any other license, including but not limited to a license
101.10 to prepare or sell food; sell tobacco, tobacco-related devices, and electronic delivery devices
101.11 as defined in section 609.685, subdivision 1; nicotine and lobelia delivery products as
101.12 described in section 609.6855; or manufacture or sell alcoholic beverages as defined in
101.13 section 340A.101, subdivision 2.

101.14 (d) A person, cooperative, or business holding a lower-potency hemp edible manufacturer
101.15 license or a lower-potency hemp edible retailer license, or both, may not hold a cannabis
101.16 business license.

101.17 Sec. 46. **[342.44] MEDICAL CANNABIS BUSINESS APPLICATIONS.**

101.18 Subdivision 1. **Information required.** In addition to information required to be submitted
101.19 under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person,
101.20 cooperative, or business seeking a medical cannabis business license must submit the
101.21 following information in a form approved by the office:

101.22 (1) for medical cannabis cultivator license applicants:

101.23 (i) an operating plan demonstrating the proposed size and layout of the cultivation facility;
101.24 plans for wastewater and waste disposal for the cultivation facility; plans for providing
101.25 electricity, water, and other utilities necessary for the normal operation of the cultivation
101.26 facility; and plans for compliance with applicable building code and federal and state
101.27 environmental and workplace safety requirements;

101.28 (ii) a cultivation plan demonstrating the proposed size and layout of the cultivation
101.29 facility that will be used exclusively for cultivation for medical cannabis, including the total
101.30 amount of plant canopy; and

101.31 (iii) evidence that the business will comply with the applicable operation requirements
101.32 for the license being sought;

102.1 (2) for medical cannabis processor license applicants:

102.2 (i) an operating plan demonstrating the proposed layout of the facility, including a
102.3 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
102.4 the manufacturing facility; plans for providing electricity, water, and other utilities necessary
102.5 for the normal operation of the manufacturing facility; and plans for compliance with
102.6 applicable building code and federal and state environmental and workplace safety
102.7 requirements;

102.8 (ii) all methods of extraction and concentration that the applicant intends to use and the
102.9 volatile chemicals, if any, that are involved in extraction or concentration;

102.10 (iii) if the applicant is seeking an endorsement to manufacture products infused with
102.11 cannabinoids for consumption by patients enrolled in the registry program, proof of an
102.12 edible cannabis product handler endorsement from the office; and

102.13 (iv) evidence that the applicant will comply with the applicable operation requirements
102.14 for the license being sought; or

102.15 (3) for medical cannabis retailer license applicants:

102.16 (i) a list of every retail license held by the applicant and, if the applicant is a business,
102.17 every retail license held, either as an individual or as part of another business, by each
102.18 officer, director, manager, and general partner of the cannabis business;

102.19 (ii) an operating plan demonstrating the proposed layout of the facility including a
102.20 diagram of ventilation and filtration systems, policies to avoid sales to individuals who are
102.21 not authorized to receive the distribution of medical cannabis flower or medical cannabinoid
102.22 products, identification of a restricted area for storage, and plans to prevent the visibility of
102.23 cannabis flower and cannabis products;

102.24 (iii) if the applicant holds or is applying for a cannabis retailer license, a diagram showing
102.25 the portion of the premises in which medical cannabis flower and medical cannabinoid
102.26 products will be sold and distributed and identifying an area that is definite and distinct
102.27 from all other areas of the cannabis retailer, accessed through a distinct entrance, and contains
102.28 an appropriate space for a pharmacist employee of the medical cannabis retailer to consult
102.29 with the patient to determine the proper type of medical cannabis flower and medical
102.30 cannabinoid products and proper dosage for the patient; and

102.31 (iv) evidence that the applicant will comply with the applicable operation requirements
102.32 for the license being sought.

Subd. 2. Segregation of medical cannabis. A person, cooperative, or business seeking a medical cannabis cultivator license or a medical cannabis processor license and any other type of cannabis business license, other than a cannabis event organizer license, must identify the methods that will be used to segregate medical cannabis flower and medical cannabinoid products from other cannabis flower and cannabis products to avoid cross-contamination.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 47. **[342.45] HEMP BUSINESS LICENSES; APPLICATIONS AND ISSUANCE.**

Subdivision 1. Application; contents. (a) Except as otherwise provided in this subdivision, the provisions of this chapter relating to license applications, license selection criteria, general ownership disqualifications and requirements, and general operational requirements do not apply to hemp businesses.

(b) The office by rule shall establish forms and procedures for the processing of hemp licenses issued under this chapter. At a minimum, any application to obtain or renew a hemp license shall include the following information, if applicable:

(1) the name, address, and date of birth of the applicant;

(2) the address and legal property description of the business;

(3) proof of trade name registration;

(4) certification that the applicant will comply with the requirements of this chapter relating to the ownership and operation of a hemp business;

(5) identification of one or more controlling persons or managerial employees as agents who shall be responsible for dealing with the office on all matters; and

(6) a statement that the applicant agrees to respond to the office's supplemental requests for information.

(c) An application on behalf of a corporation or association shall be signed by at least two officers or managing agents of that entity.

Subd. 2. Issuance; eligibility; prohibition on transfer. (a) The office may issue a hemp license to an applicant who:

(1) is at least 21 years of age;

(2) has completed an application for licensure or application for renewal and has fully and truthfully complied with all information requests relating to license application and renewal;

104.1 (3) has paid the applicable application and license fees pursuant to section 342.11;

104.2 (4) is not employed by the office or any state agency with regulatory authority over this
104.3 chapter; and

104.4 (5) does not hold any cannabis business license.

104.5 (b) Licenses must be renewed annually.

104.6 (c) Licenses may not be transferred.

104.7 Sec. 48. **[342.46] LOWER-POTENCY HEMP EDIBLE MANUFACTURER.**

104.8 Subdivision 1. Authorized actions. A lower-potency hemp edible manufacturer license
104.9 entitles the license holder to:

104.10 (1) purchase hemp plant parts, hemp concentrate, and synthetically derived cannabinoids
104.11 from cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis
104.12 wholesalers, and lower-potency hemp edible manufacturers;

104.13 (2) purchase hemp plant parts from industrial hemp growers;

104.14 (3) make hemp concentrate;

104.15 (4) manufacture synthetically derived cannabinoids;

104.16 (5) manufacture lower-potency hemp edibles for public consumption;

104.17 (6) package and label lower-potency hemp edibles for sale to customers;

104.18 (7) sell hemp concentrate, synthetically derived cannabinoids, and lower-potency hemp
104.19 edibles to other cannabis businesses and hemp businesses; and

104.20 (8) perform other actions approved by the office.

104.21 Subd. 2. All manufacturer operations. (a) All hemp manufacturing must take place in
104.22 a facility and on equipment that meets the applicable health and safety requirements
104.23 established by the office, including requirements for cleaning and testing machinery between
104.24 production of different products.

104.25 (b) A lower-potency hemp edible manufacturer must comply with all applicable
104.26 packaging, labeling, and testing requirements.

104.27 Subd. 3. Extraction and concentration. (a) A lower-potency hemp edible manufacturer
104.28 that creates hemp concentrate or synthetically derived cannabinoids must obtain an
104.29 endorsement from the office.

(b) A lower-potency hemp edible manufacturer seeking an endorsement to create hemp concentrate must inform the office of all methods of extraction and concentration that the manufacturer intends to use and identify the volatile chemicals, if any, that will be involved in the creation of hemp concentrate. A lower-potency hemp edible manufacturer may not use a method of extraction and concentration of a volatile chemical without approval by the office.

(c) A lower-potency hemp edible manufacturer seeking an endorsement to create synthetically derived cannabinoids must inform the office of all methods of conversion that the manufacturer will use, including any specific catalysts that the manufacturer will employ, to create synthetically derived cannabinoids and the molecular nomenclature of all cannabinoids or other chemical compound that the manufacturer will create. A business licensed or authorized to manufacture lower-potency hemp edibles may not use a method of conversion or a catalyst without approval by the office.

(d) A lower-potency hemp edible manufacturer must obtain a certification from an independent third-party industrial hygienist or professional engineer approving:

(1) all electrical, gas, fire suppression, and exhaust systems; and

(2) the plan for safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.

(e) Upon the sale of hemp concentrate or synthetically derived cannabinoids to any person, cooperative, or business, a lower-potency hemp edible manufacturer must provide a statement to the buyer that discloses the method of extraction and concentration or conversion used and any solvents, gases, or catalysts, including but not limited to any volatile chemicals, involved in that method.

Subd. 4. Production of consumer products. (a) A lower-potency hemp edible manufacturer that produces lower-potency hemp edibles must obtain an edible cannabis product handler endorsement from the office.

(b) All areas within the premises of a lower-potency hemp edible manufacturer used for producing lower-potency hemp edibles must meet the sanitary standards specified in rules adopted by the office.

(c) A lower-potency hemp edible manufacturer may only add chemicals or compounds approved by the office to hemp concentrate or synthetically derived cannabinoids.

(d) Upon the sale of any lower-potency hemp edible to a cannabis business or hemp business, a lower-potency hemp edible manufacturer must provide a statement to the buyer

that discloses the product's ingredients, including but not limited to any chemicals or compounds and any major food allergens declared by name.

(e) A lower-potency hemp edible manufacturer shall not add any synthetically derived cannabinoid, hemp plant part, or hemp concentrate to a product where the manufacturer of the product holds a trademark to the product's name, except that a lower-potency hemp edible manufacturer may use a trademarked food product if the manufacturer uses the product as a component or as part of a recipe and where the lower-potency hemp edible manufacturer does not state or advertise to the customer that the final retail lower-potency hemp edible contains a trademarked food product.

(f) A lower-potency hemp edible manufacturer shall not add any cannabis flower, cannabis concentrate, or any cannabinoid derived from cannabis flower or cannabis concentrate to a product.

Sec. 49. [342.47] MEDICAL CANNABIS CULTIVATORS.

(a) A medical cannabis cultivator license entitles the license holder to grow cannabis plants within the approved amount of space up to 60,000 square feet of plant canopy from seed or immature plant to mature plant, harvest cannabis flower from a mature plant, package and label cannabis flower as medical cannabis flower, sell medical cannabis flower to medical cannabis processors and medical cannabis retailers, transport medical cannabis flower to a medical cannabis processor located on the same premises, and perform other actions approved by the office.

(b) A medical cannabis cultivator license holder must comply with all requirements of section 342.25.

(c) A medical cannabis cultivator license holder must verify that every batch of medical cannabis flower has passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabis flower before the medical cannabis cultivator may package, label, or sell the medical cannabis flower to any other entity.

(d) A medical cannabis cultivator may exceed the limit of 60,000 square feet of plant canopy if it was legally cultivating medical cannabis with a greater plant canopy as of April 1, 2023.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 50. **[342.48] MEDICAL CANNABIS PROCESSORS.**

(a) A medical cannabis processor license, consistent with the specific license endorsement or endorsements, entitles the license holder to:

(1) purchase medical cannabis flower, medical cannabinoid products, hemp plant parts, and hemp concentrate from medical cannabis cultivators and other medical cannabis processors;

(2) purchase hemp plant parts from industrial hemp growers;

(3) make cannabis concentrate from medical cannabis flower;

(4) make hemp concentrate, including hemp concentrate with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;

(5) manufacture medical cannabinoid products;

(6) package and label medical cannabinoid products for sale to other medical cannabis processors and to medical cannabis retailers; and

(7) perform other actions approved by the office.

(b) A medical cannabis processor license holder must comply with all requirements of section 342.26, including requirements to obtain specific license endorsements.

(c) A medical cannabis processor license holder must verify that every batch of medical cannabinoid product has passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabinoid products before the medical cannabis processor may package, label, or sell the medical cannabinoid product to any other entity.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 51. **[342.49] MEDICAL CANNABIS RETAILERS.**

Subdivision 1. **Authorized actions.** (a) A medical cannabis retailer license entitles the license holder to purchase medical cannabis flower and medical cannabinoid products from medical cannabis cultivators and medical cannabis processors and sell or distribute medical cannabis flower and medical cannabinoid products to any person authorized to receive medical cannabis flower or medical cannabinoid products.

(b) A medical cannabis retailer license holder must verify that all medical cannabis flower and medical cannabinoid products have passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabis

108.1 flower and medical cannabinoid products before the medical cannabis retailer may distribute
108.2 the medical cannabis flower or medical cannabinoid product to any person authorized to
108.3 receive medical cannabis flower or medical cannabinoid products.

108.4 Subd. 2. **Distribution requirements.** (a) Prior to distribution of medical cannabis flower
108.5 or medical cannabinoid products, a medical cannabis retailer licensee must:

108.6 (1) review and confirm the patient's registry verification;

108.7 (2) verify that the person requesting the distribution of medical cannabis flower or
108.8 medical cannabinoid products is the patient, the patient's registered designated caregiver,
108.9 or the patient's parent, legal guardian, or spouse using the procedures specified in section
108.10 152.11, subdivision 2d;

108.11 (3) ensure that a pharmacist employee of the medical cannabis retailer has consulted
108.12 with the patient if required according to subdivision 3; and

108.13 (4) apply a patient-specific label on the medical cannabis flower or medical cannabinoid
108.14 product that includes recommended dosage requirements and other information as required
108.15 by rules adopted by the office.

108.16 (b) A medical cannabis retailer may not deliver medical cannabis flower or medical
108.17 cannabinoid products unless the medical cannabis retailer also holds a cannabis delivery
108.18 service license. Delivery of medical cannabis flower and medical cannabinoid products are
108.19 subject to the provisions of section 342.40.

108.20 Subd. 3. **Final approval for distribution of medical cannabis flower and medical**
108.21 **cannabinoid products.** (a) A cannabis worker who is employed by a medical cannabis
108.22 retailer and who is licensed as a pharmacist pursuant to chapter 151 shall be the only person
108.23 who may give final approval for the distribution of medical cannabis flower and medical
108.24 cannabinoid products. Prior to the distribution of medical cannabis flower or medical
108.25 cannabinoid products, a pharmacist employed by the medical cannabis retailer must consult
108.26 with the patient to determine the proper type of medical cannabis flower, medical cannabinoid
108.27 product, or medical cannabis paraphernalia and proper dosage for the patient after reviewing
108.28 the range of chemical compositions of medical cannabis flower or medical cannabinoid
108.29 product. For purposes of this subdivision, a consultation may be conducted remotely by
108.30 secure videoconference, telephone, or other remote means, as long as:

108.31 (1) the pharmacist engaging in the consultation is able to confirm the identity of the
108.32 patient; and

109.1 (2) the consultation adheres to patient privacy requirements that apply to health care
109.2 services delivered through telemedicine.

109.3 (b) Notwithstanding paragraph (a), a pharmacist consultation is not required prior to the
109.4 distribution of medical cannabis flower or medical cannabinoid products when a medical
109.5 cannabis retailer is distributing medical cannabis flower or medical cannabinoid products
109.6 to a patient according to a patient-specific dosage plan established with that medical cannabis
109.7 retailer and is not modifying the dosage or product being distributed under that plan. Medical
109.8 cannabis flower or medical cannabinoid products distributed under this paragraph must be
109.9 distributed by a pharmacy technician employed by the medical cannabis retailer.

109.10 Subd. 4. **90-day supply.** A medical cannabis retailer shall not distribute more than a
109.11 90-day supply of medical cannabis flower or medical cannabinoid products to a patient,
109.12 registered designated caregiver, or parent, legal guardian, or spouse of a patient according
109.13 to the dosages established for the individual patient.

109.14 Subd. 5. **Distribution to recipient in a motor vehicle.** A medical cannabis retailer may
109.15 distribute medical cannabis flower and medical cannabinoid products to a patient, registered
109.16 designated caregiver, or parent, legal guardian, or spouse of a patient who is at a dispensary
109.17 location but remains in a motor vehicle, provided that:

109.18 (1) staff receive payment and distribute medical cannabis flower and medical cannabinoid
109.19 products in a designated zone that is as close as feasible to the front door of the facility;

109.20 (2) the medical cannabis retailer ensures that the receipt of payment and distribution of
109.21 medical cannabis flower and medical cannabinoid products are visually recorded by a
109.22 closed-circuit television surveillance camera and provides any other necessary security
109.23 safeguards;

109.24 (3) the medical cannabis retailer does not store medical cannabis flower or medical
109.25 cannabinoid products outside a restricted access area and staff transport medical cannabis
109.26 flower and medical cannabinoid products from a restricted access area to the designated
109.27 zone for distribution only after confirming that the patient, designated caregiver, or parent,
109.28 guardian, or spouse has arrived in the designated zone;

109.29 (4) the payment and distribution of medical cannabis flower and medical cannabinoid
109.30 products take place only after a pharmacist consultation takes place, if required under
109.31 subdivision 3;

109.32 (5) immediately following distribution of medical cannabis flower or medical cannabinoid
109.33 products, staff enter the transaction in the statewide monitoring system; and

(6) immediately following distribution of medical cannabis flower and medical cannabinoid products, staff take the payment received into the facility.

Subd. 6. **Physical separation required.** A medical cannabis retailer that is also a cannabis retailer must distribute medical cannabis flower and medical cannabinoid products provided that the portion of the premises in which medical cannabis flower and medical cannabinoid products are sold is definite and distinct from all other areas of the cannabis retailer, is accessed through a distinct entrance, and provides an appropriate space for a pharmacist employee of the medical cannabis retailer to consult with the patient to determine the proper type of medical cannabis flower and medical cannabinoid products and proper dosage for the patient.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 52. [342.50] TRIBAL MEDICAL CANNABIS PROGRAM.

Subdivision 1. **Tribal medical cannabis program manufacturer transportation.** (a) A Tribal medical cannabis program manufacturer may transport medical cannabis to testing laboratories in the state and to other Indian lands.

(b) A Tribal medical cannabis program manufacturer must staff a motor vehicle used to transport medical cannabis with at least two employees of the manufacturer. Each employee in the transport vehicle must carry identification specifying that the employee is an employee of the manufacturer, and one employee in the transport vehicle must carry a detailed transportation manifest that includes the place and time of departure, the address of the destination, and a description and count of the medical cannabis being transported.

Subd. 2. **Distribution to Tribal medical cannabis program patient.** (a) A Tribal medical cannabis manufacturer may distribute medical cannabis in accordance with section 342.49 to a Tribal medical cannabis program patient.

(b) Prior to distribution, the Tribal medical cannabis program patient must provide to the Tribal medical cannabis manufacturer:

(1) a valid medical cannabis registration verification card or equivalent document issued by a Tribal medical cannabis program that indicates that the Tribal medical cannabis program patient is authorized to use medical cannabis on Indian lands over which the Tribe has jurisdiction; and

(2) a valid photographic identification card issued by the Tribal medical cannabis program, a valid driver's license, or a valid state identification card.

(c) A manufacturer shall distribute medical cannabis to a Tribal medical cannabis program patient only in a form allowed under section 342.51, subdivision 8.

Subd. 3. **Use of statewide monitoring system.** A Tribal medical cannabis manufacturer must use the statewide monitoring system for the tracking of the sale or distribution of medical cannabis to Tribal medical cannabis program patients. Sale or distribution of medical cannabis by a Tribal medical cannabis manufacturer must be recorded in the statewide monitoring system within the time established by rule.

Subd. 4. **Limitations.** All the limitations under section 342.55 apply to Tribal medical cannabis program patients.

Subd. 5. **Protections for Tribal medical cannabis program participants.** All the protections under section 342.56 apply to Tribal medical cannabis program patients.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 53. **[342.51] PATIENT REGISTRY PROGRAM.**

Subdivision 1. **Administration.** The Division of Medical Cannabis must administer the medical cannabis registry program.

Subd. 2. **Application procedure for patients.** (a) A patient seeking to enroll in the registry program must submit to the Division of Medical Cannabis an application established by the Division of Medical Cannabis and a copy of the certification specified in paragraph (b) or, if the patient is a veteran who receives care from the United States Department of Veterans Affairs, the information required pursuant to subdivision 3. The patient must provide at least the following information in the application:

(1) the patient's name, mailing address, and date of birth;

(2) the name, mailing address, and telephone number of the patient's health care practitioner;

(3) the name, mailing address, and date of birth of the patient's registered designated caregiver, if any, or the patient's parent, legal guardian, or spouse if the parent, legal guardian, or spouse will be acting as the patient's caregiver;

(4) a disclosure signed by the patient that includes:

(i) a statement that, notwithstanding any law to the contrary, the Office of Cannabis Management, the Division of Medical Cannabis, or an employee of the Office of Cannabis Management or Division of Medical Cannabis may not be held civilly or criminally liable

112.1 for any injury, loss of property, personal injury, or death caused by an act or omission while
112.2 acting within the employee's scope of office or employment under this section; and

112.3 (ii) the patient's acknowledgment that enrollment in the registry program is conditional
112.4 on the patient's agreement to meet all other requirements of this section; and

112.5 (5) all other information required by the Division of Medical Cannabis.

112.6 (b) As part of the application under this subdivision, a patient must submit a copy of a
112.7 certification from the patient's health care practitioner that is dated within 90 days prior to
112.8 the submission of the application and that certifies that the patient has been diagnosed with
112.9 a qualifying medical condition.

112.10 (c) A patient's health care practitioner may submit a statement to the Division of Medical
112.11 Cannabis declaring that the patient is no longer diagnosed with a qualifying medical
112.12 condition. Within 30 days after receipt of a statement from a patient's health care practitioner,
112.13 the Division of Medical Cannabis must provide written notice to a patient stating that the
112.14 patient's enrollment in the registry program will be revoked in 30 days unless the patient
112.15 submits a certification from a health care practitioner that the patient is currently diagnosed
112.16 with a qualifying medical condition or, if the patient is a veteran, the patient submits
112.17 confirmation that the patient is currently diagnosed with a qualifying medical condition in
112.18 a form and manner consistent with the information required for an application made pursuant
112.19 to subdivision 3. If the Division of Medical Cannabis revokes a patient's enrollment in the
112.20 registry program pursuant to this paragraph, the division must provide notice to the patient
112.21 and to the patient's health care practitioner.

112.22 Subd. 3. **Application procedure for veterans.** (a) The Division of Medical Cannabis
112.23 shall establish an alternative certification procedure for veterans who receive care from the
112.24 United States Department of Veterans Affairs to confirm that the veteran has been diagnosed
112.25 with a qualifying medical condition.

112.26 (b) A patient who is also a veteran and is seeking to enroll in the registry program must
112.27 submit to the Division of Medical Cannabis an application established by the Division of
112.28 Medical Cannabis that includes the information identified in subdivision 2, paragraph (a),
112.29 and the additional information required by the Division of Medical Cannabis to certify that
112.30 the patient has been diagnosed with a qualifying medical condition.

112.31 Subd. 4. **Enrollment; denial of enrollment; revocation.** (a) Within 30 days after the
112.32 receipt of an application and certification or other documentation of a diagnosis with a
112.33 qualifying medical condition, the Division of Medical Cannabis must approve or deny a
112.34 patient's enrollment in the registry program. If the Division of Medical Cannabis approves

113.1 a patient's enrollment in the registry program, the office must provide notice to the patient
113.2 and to the patient's health care practitioner.

113.3 (b) A patient's enrollment in the registry program must only be denied if the patient:

113.4 (1) does not submit a certification from a health care practitioner or, if the patient is a
113.5 veteran, the documentation required under subdivision 3 that the patient has been diagnosed
113.6 with a qualifying medical condition;

113.7 (2) has not signed the disclosure required in subdivision 2;

113.8 (3) does not provide the information required by the Division of Medical Cannabis;

113.9 (4) provided false information on the application; or

113.10 (5) at the time of application, is also enrolled in a federally approved clinical trial for
113.11 the treatment of a qualifying medical condition with medical cannabis.

113.12 (c) If the Division of Medical Cannabis denies a patient's enrollment in the registry
113.13 program, the Division of Medical Cannabis must provide written notice to a patient of all
113.14 reasons for denying enrollment. Denial of enrollment in the registry program is considered
113.15 a final decision of the office and is subject to judicial review under chapter 14.

113.16 (d) A patient's enrollment in the registry program may be revoked only:

113.17 (1) pursuant to subdivision 2, paragraph (c);

113.18 (2) upon the death of the patient;

113.19 (3) if the patient's certifying health care practitioner has filed a declaration under
113.20 subdivision 2, paragraph (c), that the patient's qualifying diagnosis no longer exists and the
113.21 patient does not submit another certification within 30 days;

113.22 (4) if the patient does not comply with subdivision 6; or

113.23 (5) if the patient intentionally sells or diverts medical cannabis flower or medical
113.24 cannabinoid products in violation of this chapter.

113.25 If a patient's enrollment in the registry program has been revoked due to a violation of
113.26 subdivision 6, the patient may apply for enrollment 12 months after the date on which the
113.27 patient's enrollment was revoked. The office must process such an application in accordance
113.28 with this subdivision.

113.29 Subd. 5. **Registry verification.** When a patient is enrolled in the registry program, the
113.30 Division of Medical Cannabis must assign the patient a patient registry number and must
113.31 issue the patient and the patient's registered designated caregiver, parent, legal guardian, or

114.1 spouse, if applicable, a registry verification. The Division of Medical Cannabis must also
114.2 make the registry verification available to medical cannabis retailers. The registry verification
114.3 must include:

114.4 (1) the patient's name and date of birth;

114.5 (2) the patient registry number assigned to the patient; and

114.6 (3) the name and date of birth of the patient's registered designated caregiver, if any, or
114.7 the name of the patient's parent, legal guardian, or spouse if the parent, legal guardian, or
114.8 spouse will act as a caregiver.

114.9 Subd. 6. **Conditions of continued enrollment.** As conditions of continued enrollment,
114.10 a patient must:

114.11 (1) continue to receive regularly scheduled treatment for the patient's qualifying medical
114.12 condition from the patient's health care practitioner; and

114.13 (2) report changes in the patient's qualifying medical condition to the patient's health
114.14 care practitioner.

114.15 Subd. 7. **Enrollment period.** Enrollment in the registry program is permanent.

114.16 Subd. 8. **Medical cannabis flower and medical cannabinoid products; allowable**
114.17 **delivery methods.** Medical cannabis flower and medical cannabinoid products may be
114.18 delivered in the form of:

114.19 (1) a liquid, including but not limited to oil;

114.20 (2) a pill;

114.21 (3) a vaporized delivery method with the use of liquid or oil;

114.22 (4) a water-soluble cannabinoid multiparticulate, including granules, powder, and
114.23 sprinkles;

114.24 (5) an orally dissolvable product, including lozenges, gum, mints, buccal tablets, and
114.25 sublingual tablets;

114.26 (6) edible products in the form of gummies and chews;

114.27 (7) a topical formulation;

114.28 (8) combustion with the use of dried raw cannabis; or

114.29 (9) any other method approved by the office.

115.1 Subd. 9. **Registered designated caregiver.** (a) The Division of Medical Cannabis must
115.2 register a designated caregiver for a patient if the patient requires assistance in administering
115.3 medical cannabis flower or medical cannabinoid products or in obtaining medical cannabis
115.4 flower, medical cannabinoid products, or medical cannabis paraphernalia from a medical
115.5 cannabis retailer.

115.6 (b) In order to serve as a designated caregiver, a person must:

115.7 (1) be at least 18 years of age;

115.8 (2) agree to only possess the patient's medical cannabis flower and medical cannabinoid
115.9 products for purposes of assisting the patient; and

115.10 (3) agree that if the application is approved, the person will not serve as a registered
115.11 designated caregiver for more than six registered patients at one time. Patients who reside
115.12 in the same residence count as one patient.

115.13 (c) The office shall conduct a criminal background check on the designated caregiver
115.14 prior to registration to ensure that the person does not have a conviction for a disqualifying
115.15 felony offense. Any cost of the background check shall be paid by the person seeking
115.16 registration as a designated caregiver. A designated caregiver must have the criminal
115.17 background check renewed every two years.

115.18 (d) Nothing in this section shall be construed to prevent a registered designated caregiver
115.19 from being enrolled in the registry program as a patient and possessing and administering
115.20 medical cannabis as a patient.

115.21 Subd. 10. **Parents, legal guardians, spouses.** A parent, legal guardian, or spouse of a
115.22 patient may act as the caregiver for a patient. The parent, legal guardian, or spouse who is
115.23 acting as a caregiver must follow all requirements for parents, legal guardians, and spouses
115.24 under this chapter. Nothing in this section limits any legal authority that a parent, legal
115.25 guardian, or spouse may have for the patient under any other law.

115.26 Subd. 11. **Enrollment fee.** (a) The Division of Cannabis Management must collect an
115.27 enrollment fee of \$40 from a patient enrolled under this section.

115.28 (b) Revenue collected under this subdivision shall deposit to a dedicated account in the
115.29 special revenue fund. The balance of the account shall be appropriated annually to the
115.30 administrator of the office for program operations.

115.31 Subd. 12. **Notice of change of name or address.** Patients and registered designated
115.32 caregivers must notify the Division of Medical Cannabis of any address or name change

within 30 days of the change having occurred. A patient or registered designated caregiver is subject to a \$100 fine for failure to notify the office of the change.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 54. **[342.52] DUTIES OF OFFICE OF CANNABIS MANAGEMENT; REGISTRY PROGRAM.**

The office may add an allowable form of medical cannabinoid product, and may add or modify a qualifying medical condition upon its own initiative, upon a petition from a member of the public or from the Cannabis Advisory Council or as directed by law. The office must evaluate all petitions and must make the addition or modification if the office determines that the addition or modification is warranted by the best available evidence and research. If the office wishes to add an allowable form or add or modify a qualifying medical condition, the office must notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health finance and policy by January 15 of the year in which the change becomes effective. In this notification, the office must specify the proposed addition or modification, the reasons for the addition or modification, any written comments received by the office from the public about the addition or modification, and any guidance received from the Cannabis Advisory Council. An addition or modification by the office under this subdivision becomes effective on August 1 of that year unless the legislature by law provides otherwise.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 55. **[342.53] DUTIES OF DIVISION OF MEDICAL CANNABIS; REGISTRY PROGRAM.**

Subdivision 1. **Duties related to health care practitioners.** The Division of Medical Cannabis must:

(1) provide notice of the registry program to health care practitioners in the state;

(2) allow health care practitioners to participate in the registry program if they request to participate and meet the program's requirements;

(3) provide explanatory information and assistance to health care practitioners to understand the nature of the therapeutic use of medical cannabis within program requirements;

(4) make available to participating health care practitioners a certification form in which a health care practitioner certifies that a patient has a qualifying medical condition; and

(5) supervise the participation of health care practitioners in the registry reporting system in which health care practitioners report patient treatment and health records information to the office in a manner that ensures stringent security and record keeping requirements and that prevents the unauthorized release of private data on individuals as defined in section 13.02.

Subd. 2. **Duties related to the registry program.** The Division of Medical Cannabis must:

(1) administer the registry program according to section 342.51;

(2) provide information to patients enrolled in the registry program on the existence of federally approved clinical trials for the treatment of the patient's qualifying medical condition with medical cannabis flower or medical cannabinoid products as an alternative to enrollment in the registry program;

(3) maintain safety criteria with which patients must comply as a condition of participation in the registry program to prevent patients from undertaking any task under the influence of medical cannabis flower or medical cannabinoid products that would constitute negligence or professional malpractice;

(4) review and publicly report on existing medical and scientific literature regarding the range of recommended dosages for each qualifying medical condition, the range of chemical compositions of medical cannabis flower and medical cannabinoid products that will likely be medically beneficial for each qualifying medical condition, and any risks of noncannabis drug interactions. This information must be updated by December 1 of each year. The office may consult with an independent laboratory under contract with the office or other experts in reporting and updating this information; and

(5) annually consult with cannabis businesses about medical cannabis that the businesses cultivate, manufacture, and offer for sale and post on the Division of Medical Cannabis website a list of the medical cannabis flower and medical cannabinoid products offered for sale by each medical cannabis retailer.

Subd. 3. **Research.** (a) The Division of Medical Cannabis must conduct or contract with a third party to conduct research and studies using data from health records submitted to the registry program under section 342.54, subdivision 2, and data submitted to the registry program under section 342.51, subdivisions 2 and 3. If the division contracts with a third party for research and studies, the third party must provide the division with access to all research and study results. The division must submit reports on intermediate or final research results to the legislature and major scientific journals. All data used by the division or a

118.1 third party under this subdivision must be used or reported in an aggregated nonidentifiable
118.2 form as part of a scientific peer-reviewed publication of research or in the creation of
118.3 summary data, as defined in section 13.02, subdivision 19.

118.4 (b) The Division of Medical Cannabis may submit medical research based on the data
118.5 collected under sections 342.54, subdivision 2, and data collected through the statewide
118.6 monitoring system to any federal agency with regulatory or enforcement authority over
118.7 medical cannabis to demonstrate the effectiveness of medical cannabis flower or medical
118.8 cannabinoid products for treating or alleviating the symptoms of a qualifying medical
118.9 condition.

118.10 **EFFECTIVE DATE.** This section is effective January 1, 2024.

118.11 Sec. 56. **[342.54] DUTIES OF HEALTH CARE PRACTITIONERS; REGISTRY**
118.12 **PROGRAM.**

118.13 Subdivision 1. **Health care practitioner duties before patient enrollment.** Before a
118.14 patient's enrollment in the registry program, a health care practitioner must:

118.15 (1) determine, in the health care practitioner's medical judgment, whether a patient has
118.16 a qualifying medical condition and, if so determined, provide the patient with a certification
118.17 of that diagnosis;

118.18 (2) advise patients, registered designated caregivers, and parents, legal guardians, and
118.19 spouses acting as caregivers of any nonprofit patient support groups or organizations;

118.20 (3) provide to patients explanatory information from the Division of Medical Cannabis,
118.21 including information about the experimental nature of the therapeutic use of medical
118.22 cannabis flower and medical cannabinoid products; the possible risks, benefits, and side
118.23 effects of the proposed treatment; and the application and other materials from the office;

118.24 (4) provide to patients a Tennessean warning as required under section 13.04, subdivision
118.25 2; and

118.26 (5) agree to continue treatment of the patient's qualifying medical condition and to report
118.27 findings to the Division of Medical Cannabis.

118.28 Subd. 2. **Duties upon patient's enrollment in registry program.** Upon receiving
118.29 notification from the Division of Medical Cannabis of the patient's enrollment in the registry
118.30 program, a health care practitioner must:

118.31 (1) participate in the patient registry reporting system under the guidance and supervision
118.32 of the Division of Medical Cannabis;

(2) report to the Division of Medical Cannabis patient health records throughout the patient's ongoing treatment in a manner determined by the office and in accordance with subdivision 4;

(3) determine on a yearly basis if the patient continues to have a qualifying medical condition and, if so, issue the patient a new certification of that diagnosis. The patient assessment conducted under this clause may be conducted via telehealth, as defined in section 62A.673, subdivision 2; and

(4) otherwise comply with requirements established by the Office of Cannabis Management and the Division of Medical Cannabis.

Subd. 3. **Participation not required.** Nothing in this section requires a health care practitioner to participate in the registry program.

Subd. 4. **Data.** Data on patients collected by a health care practitioner and reported to the registry program, including data on patients who are veterans who receive care from the United States Department of Veterans Affairs, are health records under section 144.291 and are private data on individuals under section 13.02 but may be used or reported in an aggregated nonidentifiable form as part of a scientific peer-reviewed publication of research conducted under section 342.53 or in the creation of summary data, as defined in section 13.02, subdivision 19.

Subd. 5. **Exception.** The requirements of this section do not apply to a patient who is a veteran who receives care from the United States Department of Veterans Affairs or a health care practitioner employed by the United States Department of Veterans Affairs. Such a patient must meet the certification requirements developed pursuant to section 342.51, subdivision 3, before the patient's enrollment in the registry program. The Division of Medical Cannabis may establish policies and procedures to obtain medical records and other relevant data from a health care practitioner employed by the United States Department of Veterans Affairs, provided that those policies and procedures are consistent with this section.

EFFECTIVE DATE. This section is effective January 1, 2024.

Sec. 57. **[342.55] LIMITATIONS.**

Subdivision 1. **Limitations on consumption; locations of consumption.** Nothing in sections 342.47 to 342.59 permits any person to engage in, and does not prevent the imposition of any civil, criminal, or other penalties for:

(1) undertaking a task under the influence of medical cannabis that would constitute negligence or professional malpractice;

- 120.1 (2) possessing or consuming medical cannabis:
- 120.2 (i) on a school bus or van; or
- 120.3 (ii) in a correctional facility;
- 120.4 (3) vaporizing or smoking medical cannabis:
- 120.5 (i) on any form of public transportation;
- 120.6 (ii) where the vapor would be inhaled by a nonpatient minor or where the smoke would
- 120.7 be inhaled by a minor; or
- 120.8 (iii) in any public place, including any indoor or outdoor area used by or open to the
- 120.9 general public or a place of employment, as defined in section 144.413, subdivision 1b; and
- 120.10 (4) operating, navigating, or being in actual physical control of a motor vehicle, aircraft,
- 120.11 train, or motorboat or working on transportation property, equipment, or facilities while
- 120.12 under the influence of medical cannabis or a medical cannabis product.
- 120.13 Subd. 2. **Health care facilities.** (a) Health care facilities licensed under chapter 144A;
- 120.14 hospice providers licensed under chapter 144A; boarding care homes or supervised living
- 120.15 facilities licensed under section 144.50; assisted living facilities under chapter 144G; facilities
- 120.16 owned, controlled, managed, or under common control with hospitals licensed under chapter
- 120.17 144; and other health care facilities licensed by the commissioner of health or the
- 120.18 commissioner of human services may adopt reasonable restrictions on the use of medical
- 120.19 cannabis flower or medical cannabinoid products by a patient enrolled in the registry program
- 120.20 who resides at or is actively receiving treatment or care at the facility. The restrictions may
- 120.21 include a provision that the facility must not store or maintain a patient's supply of medical
- 120.22 cannabis flower or medical cannabinoid products on behalf of the patient; that a patient
- 120.23 store the patient's supply of medical cannabis flower or medicinal cannabinoid products in
- 120.24 a locked container accessible only to the patient, the patient's designated caregiver, or the
- 120.25 patient's parent, legal guardian, or spouse; that the facility is not responsible for providing
- 120.26 medical cannabis for patients; and that medical cannabis flower or medical cannabinoid
- 120.27 products are used only in a location specified by the facility or provider. Nothing in this
- 120.28 subdivision requires facilities and providers listed in this subdivision to adopt such
- 120.29 restrictions.
- 120.30 (b) No facility or provider listed in this subdivision may unreasonably limit a patient's
- 120.31 access to or use of medical cannabis flower or medical cannabinoid products to the extent
- 120.32 that such use is authorized under sections 342.47 to 342.59. No facility or provider listed
- 120.33 in this subdivision may prohibit a patient access to or use of medical cannabis flower or

121.1 medical cannabinoid products due solely to the fact that cannabis is a Schedule I drug
121.2 pursuant to the federal Uniform Controlled Substances Act. If a federal regulatory agency,
121.3 the United States Department of Justice, or the federal Centers for Medicare and Medicaid
121.4 Services takes one of the following actions, a facility or provider may suspend compliance
121.5 with this paragraph until the regulatory agency, the United States Department of Justice, or
121.6 the federal Centers for Medicare and Medicaid Services notifies the facility or provider that
121.7 it may resume permitting the use of medical cannabis flower or medical cannabinoid products
121.8 within the facility or in the provider's service setting:

121.9 (1) a federal regulatory agency or the United States Department of Justice initiates
121.10 enforcement action against a facility or provider related to the facility's compliance with
121.11 the medical cannabis program; or

121.12 (2) a federal regulatory agency, the United States Department of Justice, or the federal
121.13 Centers for Medicare and Medicaid Services issues a rule or otherwise provides notification
121.14 to the facility or provider that expressly prohibits the use of medical cannabis in health care
121.15 facilities or otherwise prohibits compliance with the medical cannabis program.

121.16 (c) An employee or agent of a facility or provider listed in this subdivision or a person
121.17 licensed under chapter 144E is not violating this chapter or chapter 152 for the possession
121.18 of medical cannabis flower or medical cannabinoid products while carrying out employment
121.19 duties, including providing or supervising care to a patient enrolled in the registry program,
121.20 or distribution of medical cannabis flower or medical cannabinoid products to a patient
121.21 enrolled in the registry program who resides at or is actively receiving treatment or care at
121.22 the facility or from the provider with which the employee or agent is affiliated.

121.23 Subd. 3. **Child care facilities.** A proprietor of a family or group family day care program
121.24 must disclose to parents or guardians of children cared for on the premises of the family or
121.25 group family day care program, if the proprietor permits the smoking or use of medical
121.26 cannabis on the premises, outside of its hours of operation. Disclosure must include posting
121.27 on the premises a conspicuous written notice and orally informing parents or guardians.

121.28 **EFFECTIVE DATE.** This section is effective January 1, 2024.

121.29 Sec. 58. **[342.56] PROTECTIONS FOR REGISTRY PROGRAM PARTICIPANTS.**

121.30 Subdivision 1. **Presumption.** There is a presumption that a patient enrolled in the registry
121.31 program is engaged in the authorized use of medical cannabis flower and medical cannabinoid
121.32 products. This presumption may be rebutted by evidence that the patient's use of medical
121.33 cannabis flower or medical cannabinoid products was not for the purpose of treating or

122.1 alleviating the patient's qualifying medical condition or symptoms associated with the
122.2 patient's qualifying medical condition.

122.3 Subd. 2. **Criminal and civil protections.** (a) Subject to section 342.55, the following
122.4 are not violations of this chapter or chapter 152:

122.5 (1) use or possession of medical cannabis flower, medical cannabinoid products, or
122.6 medical cannabis paraphernalia by a patient enrolled in the registry program or by a visiting
122.7 patient to whom medical cannabis is distributed under section 342.49, subdivision 5;

122.8 (2) possession of medical cannabis flower, medical cannabinoid products, or medical
122.9 cannabis paraphernalia by a registered designated caregiver or a parent, legal guardian, or
122.10 spouse of a patient enrolled in the registry program; or

122.11 (3) possession of medical cannabis flower, medical cannabinoid products, or medical
122.12 cannabis paraphernalia by any person while carrying out duties required under sections
122.13 342.47 to 342.59.

122.14 (b) The Office of Cannabis Management, members of the Cannabis Advisory Council,
122.15 Office of Cannabis Management employees, agents or contractors of the Office of Cannabis
122.16 Management, and health care practitioners participating in the registry program are not
122.17 subject to any civil penalties or disciplinary action by the Board of Medical Practice, the
122.18 Board of Nursing, or any business, occupational, or professional licensing board or entity
122.19 solely for participating in the registry program either in a professional capacity or as a
122.20 patient. A pharmacist licensed under chapter 151 is not subject to any civil penalties or
122.21 disciplinary action by the Board of Pharmacy when acting in accordance with sections
122.22 342.47 to 342.59 either in a professional capacity or as a patient. Nothing in this section
122.23 prohibits a professional licensing board from taking action in response to a violation of law.

122.24 (c) Notwithstanding any law to the contrary, a Cannabis Advisory Council member, the
122.25 governor, or an employee of a state agency must not be held civilly or criminally liable for
122.26 any injury, loss of property, personal injury, or death caused by any act or omission while
122.27 acting within the scope of office or employment under sections 342.47 to 342.59.

122.28 (d) Federal, state, and local law enforcement authorities are prohibited from accessing
122.29 the registry except when acting pursuant to a valid search warrant. Notwithstanding section
122.30 13.09, a violation of this paragraph is a gross misdemeanor.

122.31 (e) Notwithstanding any law to the contrary, the office and employees of the office must
122.32 not release data or information about an individual contained in any report or document or
122.33 in the registry and must not release data or information obtained about a patient enrolled in

123.1 the registry program, except as provided in sections 342.47 to 342.59. Notwithstanding
123.2 section 13.09, a violation of this paragraph is a gross misdemeanor.

123.3 (f) No information contained in a report or document, contained in the registry, or
123.4 obtained from a patient under sections 342.47 to 342.59 may be admitted as evidence in a
123.5 criminal proceeding, unless:

123.6 (1) the information is independently obtained; or

123.7 (2) admission of the information is sought in a criminal proceeding involving a criminal
123.8 violation of sections 342.47 to 342.59.

123.9 (g) Possession of a registry verification or an application for enrollment in the registry
123.10 program:

123.11 (1) does not constitute probable cause or reasonable suspicion;

123.12 (2) must not be used to support a search of the person or property of the person with a
123.13 registry verification or application to enroll in the registry program; and

123.14 (3) must not subject the person or the property of the person to inspection by any
123.15 government agency.

123.16 Subd. 3. **School enrollment; rental property.** (a) No school may refuse to enroll a
123.17 patient as a pupil or otherwise penalize a patient solely because the patient is enrolled in
123.18 the registry program, unless failing to do so would violate federal law or regulations or
123.19 cause the school to lose a monetary or licensing-related benefit under federal law or
123.20 regulations.

123.21 (b) No landlord may refuse to lease to a patient or otherwise penalize a patient solely
123.22 because the patient is enrolled in the registry program, unless failing to do so would violate
123.23 federal law or regulations or cause the landlord to lose a monetary or licensing-related
123.24 benefit under federal law or regulations.

123.25 Subd. 4. **Medical care.** For purposes of medical care, including organ transplants, a
123.26 patient's use of medical cannabis according to sections 342.47 to 342.59 is considered the
123.27 equivalent of the authorized use of a medication used at the discretion of a health care
123.28 practitioner and does not disqualify a patient from needed medical care.

123.29 Subd. 5. **Employment.** (a) Unless a failure to do so would violate federal or state law
123.30 or regulations or cause an employer to lose a monetary or licensing-related benefit under
123.31 federal law or regulations, an employer may not discriminate against a person in hiring,

124.1 termination, or any term or condition of employment, or otherwise penalize a person, if the
124.2 discrimination is based on:

124.3 (1) the person's status as a patient enrolled in the registry program; or

124.4 (2) a patient's positive drug test for cannabis components or metabolites, unless the
124.5 patient used, possessed, sold, transported, or was impaired by medical cannabis flower or
124.6 a medical cannabinoid product on work premises, during working hours, or while operating
124.7 an employer's machinery, vehicle, or equipment.

124.8 (b) An employee who is a patient and whose employer requires the employee to undergo
124.9 drug testing according to section 181.953 may present the employee's registry verification
124.10 as part of the employee's explanation under section 181.953, subdivision 6.

124.11 Subd. 6. **Custody; visitation; parenting time.** A person must not be denied custody of
124.12 a minor child or visitation rights or parenting time with a minor child based solely on the
124.13 person's status as a patient enrolled in the registry program. There must be no presumption
124.14 of neglect or child endangerment for conduct allowed under sections 342.47 to 342.59,
124.15 unless the person's behavior creates an unreasonable danger to the safety of the minor as
124.16 established by clear and convincing evidence.

124.17 Subd. 7. **Action for damages.** In addition to any other remedy provided by law, a patient
124.18 may bring an action for damages against any person who violates subdivision 3, 4, or 5. A
124.19 person who violates subdivision 3, 4, or 5 is liable to a patient injured by the violation for
124.20 the greater of the person's actual damages or a civil penalty of \$100 and reasonable attorney
124.21 fees.

124.22 Subd. 8. **Sanctions restricted for those on parole, supervised release, or conditional**
124.23 **release.** (a) This subdivision applies to an individual placed on parole, supervised release,
124.24 or conditional release.

124.25 (b) The commissioner of corrections may not:

124.26 (1) prohibit an individual from participating in the registry program as a condition of
124.27 release; or

124.28 (2) revoke an individual's parole, supervised release, or conditional release or otherwise
124.29 sanction an individual solely:

124.30 (i) for participating in the registry program; or

124.31 (ii) for a positive drug test for cannabis components or metabolites.

124.32 **EFFECTIVE DATE.** This section is effective January 1, 2024.

125.1 Sec. 59. **[342.57] VIOLATION BY HEALTH CARE PRACTITIONER; CRIMINAL**
125.2 **PENALTY.**

125.3 A health care practitioner who knowingly refers patients to a medical cannabis business
125.4 or to a designated caregiver, who advertises as a retailer or producer of medical cannabis
125.5 flower or medical cannabinoid products, or who issues certifications while holding a financial
125.6 interest in a cannabis retailer or medical cannabis business is guilty of a misdemeanor and
125.7 may be sentenced to imprisonment for not more than 90 days or to payment of not more
125.8 than \$1,000, or both.

125.9 **EFFECTIVE DATE.** This section is effective January 1, 2024.

125.10 Sec. 60. **[342.58] DATA PRACTICES.**

125.11 Subdivision 1. **Data classification.** Patient health records maintained by the Office of
125.12 Cannabis Management or the Division of Medical Cannabis and government data in patient
125.13 health records maintained by a health care practitioner are classified as private data on
125.14 individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in
125.15 section 13.02, subdivision 9.

125.16 Subd. 2. **Allowable use; prohibited use.** Data specified in subdivision 1 may be used
125.17 to comply with chapter 13, to comply with a request from the legislative auditor or the state
125.18 auditor in the performance of official duties, and for purposes specified in sections 342.47
125.19 to 342.59. Data specified in subdivision 1 and maintained by the Office of Cannabis
125.20 Management or Division of Medical Cannabis must not be used for any purpose not specified
125.21 in sections 342.47 to 342.59 and must not be combined or linked in any manner with any
125.22 other list, dataset, or database. Data specified in subdivision 1 must not be shared with any
125.23 federal agency, federal department, or federal entity unless specifically ordered to do so by
125.24 a state or federal court.

125.25 **EFFECTIVE DATE.** This section is effective January 1, 2024.

125.26 Sec. 61. **[342.59] CLINICAL TRIALS.**

125.27 The Division of Medical Cannabis may conduct or award grants to health care providers
125.28 or research organizations to conduct clinical trials on the safety and efficacy of using medical
125.29 cannabis flower or medical cannabinoid products to treat a specific health condition. A
125.30 health care provider or research organization receiving a grant under this section must
125.31 provide the office with access to all data collected in a clinical trial funded under this section.
125.32 The office may use data from clinical trials conducted or funded under this section as

126.1 evidence to approve additional qualifying medical conditions or additional allowable forms
126.2 of medical cannabis.

126.3 **EFFECTIVE DATE.** This section is effective January 1, 2024.

126.4 Sec. 62. **[342.60] TESTING.**

126.5 Subdivision 1. **Testing required.** Cannabis businesses and hemp businesses shall not
126.6 sell or offer for sale cannabis flower, cannabis products, synthetically derived cannabinoids,
126.7 lower-potency hemp edibles, or hemp-derived consumer products to another cannabis
126.8 business, hemp business, or to a customer or patient or otherwise transfer cannabis flower,
126.9 cannabis products, synthetically derived cannabinoids, lower-potency hemp edibles, or
126.10 hemp-derived consumer products to another cannabis business, unless:

126.11 (1) a representative sample of the batch of cannabis flower, cannabis product, synthetically
126.12 derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product has
126.13 been tested according to this section and rules adopted under this chapter;

126.14 (2) the testing was completed by a cannabis testing facility licensed under this chapter;
126.15 and

126.16 (3) the tested sample of cannabis flower, cannabis product, synthetically derived
126.17 cannabinoid, lower-potency hemp edible, or hemp-derived consumer product was found to
126.18 meet testing standards established by the office.

126.19 Subd. 2. **Procedures and standards established by office.** (a) The office shall by rule
126.20 establish procedures governing:

126.21 (1) the sampling, handling, testing, storage, and transportation of cannabis flower,
126.22 cannabis products, synthetically derived cannabinoids, lower-potency hemp edibles, and
126.23 hemp-derived consumer products tested under this section;

126.24 (2) the contaminants for which cannabis flower, cannabis products, synthetically derived
126.25 cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products must be
126.26 tested;

126.27 (3) standards for potency and homogeneity testing; and

126.28 (4) procedures applicable to cannabis businesses, hemp businesses, and cannabis testing
126.29 facilities regarding cannabis flower, cannabis products, synthetically derived cannabinoids,
126.30 lower-potency hemp edibles, and hemp-derived consumer products that fail to meet the
126.31 standards for allowable levels of contaminants established by the office, that fail to meet

127.1 the potency limits in this chapter or that do not conform with the content of the cannabinoid
127.2 profile listed on the label.

127.3 (b) All testing required under this section must be performed in a manner that is consistent
127.4 with general requirements for testing and calibration activities.

127.5 Subd. 3. **Standards established by Office of Cannabis Management.** The office shall
127.6 by rule establish standards for allowable levels of contaminants in cannabis flower, cannabis
127.7 products, synthetically derived cannabinoids, lower-potency hemp edibles, hemp-derived
127.8 consumer products, and growing media. Contaminants for which the office must establish
127.9 allowable levels must include but are not limited to residual solvents, foreign material,
127.10 microbiological contaminants, heavy metals, pesticide residue, and mycotoxins.

127.11 Subd. 4. **Testing of samples; disclosures.** (a) On a schedule determined by the office,
127.12 every cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
127.13 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
127.14 hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor shall
127.15 make each batch of cannabis flower, cannabis products, synthetically derived cannabinoids,
127.16 lower-potency hemp edibles, or hemp-derived consumer products grown, manufactured, or
127.17 imported by the cannabis business or hemp business available to a cannabis testing facility.

127.18 (b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
127.19 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
127.20 hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor must
127.21 disclose all known information regarding pesticides, fertilizers, solvents, or other foreign
127.22 materials, including but not limited to catalysts used in creating synthetically derived
127.23 cannabinoids, applied or added to the batch of cannabis flower, cannabis products,
127.24 synthetically derived cannabinoids, lower-potency hemp edible, or hemp-derived consumer
127.25 products subject to testing. Disclosure must be made to the cannabis testing facility and
127.26 must include information about all applications by any person, whether intentional or
127.27 accidental.

127.28 (c) The cannabis testing facility shall select one or more representative samples from
127.29 each batch, test the samples for the presence of contaminants, and test the samples for
127.30 potency and homogeneity and to allow the cannabis flower, cannabis product, synthetically
127.31 derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product to be
127.32 accurately labeled with its cannabinoid profile. Testing for contaminants must include testing
127.33 for residual solvents, foreign material, microbiological contaminants, heavy metals, pesticide
127.34 residue, mycotoxins, and any items identified pursuant to paragraph (b), and may include

128.1 testing for other contaminants. A cannabis testing facility must destroy or return to the
128.2 cannabis business or hemp business any part of the sample that remains after testing.

128.3 Subd. 5. **Test results.** (a) If a sample meets the applicable testing standards, a cannabis
128.4 testing facility shall issue a certification to a cannabis microbusiness, cannabis
128.5 mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an
128.6 endorsement to import products, lower-potency hemp edible manufacturer, medical cannabis
128.7 cultivator, or medical cannabis processor, and the cannabis business or hemp business may
128.8 then sell or transfer the batch of cannabis flower, cannabis products, synthetically derived
128.9 cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products from which
128.10 the sample was taken to another cannabis business or hemp business, or offer the cannabis
128.11 flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products
128.12 for sale to customers or patients. If a sample does not meet the applicable testing standards
128.13 or if the testing facility is unable to test for a substance identified pursuant to subdivision
128.14 4, paragraph (b), the batch from which the sample was taken shall be subject to procedures
128.15 established by the office for such batches, including destruction, remediation, or retesting.

128.16 (b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
128.17 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
128.18 hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor must
128.19 maintain the test results for cannabis flower, cannabis products, synthetically derived
128.20 cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products grown,
128.21 manufactured, or imported by that cannabis business or hemp business for at least five years
128.22 after the date of testing.

128.23 (c) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
128.24 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
128.25 hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor shall
128.26 make test results maintained by that cannabis business or hemp business available for review
128.27 by any member of the public upon request. Test results made available to the public must
128.28 be in plain language.

128.29 Sec. 63. **[342.61] PACKAGING.**

128.30 Subdivision 1. **General.** All cannabis flower, cannabis products, lower-potency hemp
128.31 edibles, and hemp-derived consumer products sold to customers or patients must be packaged
128.32 as required by this section and rules adopted under this chapter.

129.1 Subd. 2. **Packaging requirements.** (a) Except as provided in paragraph (b), all cannabis
129.2 flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products
129.3 sold to customers or patients must be:

129.4 (1) prepackaged in packaging or a container that is child-resistant, tamper-evident, and
129.5 opaque; or

129.6 (2) placed in packaging or a container that is plain, child-resistant, tamper-evident, and
129.7 opaque at the final point of sale to a customer.

129.8 (b) The requirement that packaging be child-resistant does not apply to:

129.9 (1) a hemp-derived topical product; or

129.10 (2) a lower-potency hemp edible that:

129.11 (i) contains nonintoxicating cannabinoids;

129.12 (ii) does not contain more than a combined total of 0.25 milligrams of intoxicating
129.13 cannabinoids; and

129.14 (iii) does not contain a synthetically derived cannabinoid.

129.15 (c) If a cannabis product, lower-potency hemp edible, or a hemp-derived consumer
129.16 product is packaged in a manner that includes more than a single serving, each serving must
129.17 be indicated by scoring, wrapping, or other indicators designating the individual serving
129.18 size. If the item is a lower-potency hemp edible, any indicator other than individual wrapping
129.19 that designates the individual serving size must appear on the lower-potency hemp edible.

129.20 (d) An edible cannabis product or lower-potency hemp edible containing more than a
129.21 single serving must be prepackaged or placed at the final point of sale in packaging or a
129.22 container that is resealable.

129.23 Subd. 3. **Packaging prohibitions.** (a) Cannabis flower, cannabis products, lower-potency
129.24 hemp edibles, or hemp-derived consumer products sold to customers or patients must not
129.25 be packaged in a manner that:

129.26 (1) bears a reasonable resemblance to any commercially available product that does not
129.27 contain cannabinoids, whether the manufacturer of the product holds a registered trademark
129.28 or has registered the trade dress; or

129.29 (2) is designed to appeal to persons under 21 years of age.

130.1 (b) Packaging for cannabis flower, cannabis products, lower-potency hemp edibles, and
130.2 hemp-derived consumer products must not contain or be coated with any perfluoroalkyl
130.3 substance.

130.4 (c) Edible cannabis products and lower-potency hemp edibles must not be packaged in
130.5 a material that is not approved by the United States Food and Drug Administration for use
130.6 in packaging food.

130.7 Sec. 64. **[342.62] LABELING.**

130.8 Subdivision 1. General. All cannabis flower, cannabis products, lower-potency hemp
130.9 edibles, and hemp-derived consumer products sold to customers or patients must be labeled
130.10 as required by this section and rules adopted under this chapter.

130.11 Subd. 2. Content of label; cannabis. All cannabis flower and hemp-derived consumer
130.12 products that consist of hemp plant parts sold to customers or patients must have affixed
130.13 on the packaging or container of the cannabis flower or hemp-derived consumer product a
130.14 label that contains at least the following information:

130.15 (1) the name and license number of the cannabis microbusiness, cannabis mezzobusiness,
130.16 cannabis cultivator, medical cannabis cultivator, or industrial hemp grower where the
130.17 cannabis flower or hemp plant part was cultivated;

130.18 (2) the net weight or volume of cannabis flower or hemp plant parts in the package or
130.19 container;

130.20 (3) the batch number;

130.21 (4) the cannabinoid profile;

130.22 (5) a universal symbol established by the office indicating that the package or container
130.23 contains cannabis flower, a cannabis product, a lower-potency hemp edible, or a
130.24 hemp-derived consumer product;

130.25 (6) verification that the cannabis flower or hemp plant part was tested according to
130.26 section 342.60 and that the cannabis flower or hemp plant part complies with the applicable
130.27 standards;

130.28 (7) the maximum dose, quantity, or consumption that may be considered medically safe
130.29 within a 24-hour period;

130.30 (8) the following statement: "Keep this product out of reach of children."; and

130.31 (9) any other statements or information required by the office.

131.1 Subd. 3. Content of label; cannabis products. (a) All cannabis products, lower-potency
131.2 hemp edibles, hemp-derived consumer products other than products subject to the
131.3 requirements under subdivision 2, medical cannabinoid products, and hemp-derived topical
131.4 products sold to customers or patients must have affixed to the packaging or container of
131.5 the cannabis product a label that contains at least the following information:

131.6 (1) the name and license number of the cannabis microbusiness, cannabis mezzobusiness,
131.7 cannabis cultivator, medical cannabis cultivator, or industrial hemp grower that cultivated
131.8 the cannabis flower or hemp plant parts used in the cannabis product, lower-potency hemp
131.9 edible, hemp-derived consumer product, or medical cannabinoid product;

131.10 (2) the name and license number of the cannabis microbusiness, cannabis mezzobusiness,
131.11 cannabis manufacturer, lower-potency hemp edible manufacturer, medical cannabis
131.12 processor, or industrial hemp grower that manufactured the cannabis concentrate or
131.13 synthetically derived cannabinoid and if different, the name and license number of the
131.14 cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, lower-potency
131.15 hemp edible manufacturer, or medical cannabis processor that manufactured the cannabinoid
131.16 product;

131.17 (3) the net weight or volume of the cannabis product, lower-potency hemp edible, or
131.18 hemp-derived consumer product in the package or container;

131.19 (4) the type of cannabis product, lower-potency hemp edible, or hemp-derived consumer
131.20 product;

131.21 (5) the batch number;

131.22 (6) the serving size;

131.23 (7) the cannabinoid profile per serving and in total;

131.24 (8) a list of ingredients;

131.25 (9) a universal symbol established by the office indicating that the package or container
131.26 contains cannabis flower, a cannabis product, a lower-potency hemp edible, or a
131.27 hemp-derived consumer product;

131.28 (10) a warning symbol developed by the office in consultation with the commissioner
131.29 of health and the Minnesota Poison Control System that:

131.30 (i) is at least three-quarters of an inch tall and six-tenths of an inch wide;

131.31 (ii) is in a highly visible color;

132.1 (iii) includes a visual element that is commonly understood to mean a person should
132.2 stop;

132.3 (iv) indicates that the product is not for children; and

132.4 (v) includes the phone number of the Minnesota Poison Control System;

132.5 (11) verification that the cannabis product, lower-potency hemp edible, hemp-derived
132.6 consumer product, or medical cannabinoid product was tested according to section 342.60
132.7 and that the cannabis product, lower-potency hemp edible, hemp-derived consumer product,
132.8 or medical cannabinoid product complies with the applicable standards;

132.9 (12) the maximum dose, quantity, or consumption that may be considered medically
132.10 safe within a 24-hour period;

132.11 (13) the following statement: "Keep this product out of reach of children."; and

132.12 (14) any other statements or information required by the office.

132.13 (b) The office may by rule establish alternative labeling requirements for lower-potency
132.14 hemp edibles that are imported into the state provided that those requirements provide
132.15 consumers with information that is substantially similar to the information described in
132.16 paragraph (a).

132.17 Subd. 4. **Additional content of label; medical cannabis flower and medical**
132.18 **cannabinoid products.** In addition to the applicable requirements for labeling under
132.19 subdivision 2 or 3, all medical cannabis flower and medical cannabinoid products must
132.20 include at least the following information on the label affixed to the packaging or container
132.21 of the medical cannabis flower or medical cannabinoid product:

132.22 (1) the patient's name and date of birth;

132.23 (2) the name and date of birth of the patient's registered designated caregiver or, if listed
132.24 on the registry verification, the name of the patient's parent, legal guardian, or spouse, if
132.25 applicable; and

132.26 (3) the patient's registry identification number.

132.27 Subd. 5. **Content of label; hemp-derived topical products.** (a) All hemp-derived topical
132.28 products sold to customers must have affixed to the packaging or container of the product
132.29 a label that contains at least the following information:

132.30 (1) the manufacturer name, location, phone number, and website;

- 133.1 (2) the name and address of the independent, accredited laboratory used by the
133.2 manufacturer to test the product;
- 133.3 (3) the net weight or volume of the product in the package or container;
- 133.4 (4) the type of topical product;
- 133.5 (5) the amount or percentage of cannabidiol, cannabigerol, or any other cannabinoid,
133.6 derivative, or extract of hemp, per serving and in total;
- 133.7 (6) a list of ingredients;
- 133.8 (7) a statement that the product does not claim to diagnose, treat, cure, or prevent any
133.9 disease and that the product has not been evaluated or approved by the United States Food
133.10 and Drug Administration, unless the product has been so approved; and
- 133.11 (8) any other statements or information required by the office.
- 133.12 (b) The information required in paragraph (a), clauses (1), (2), and (5), may be provided
133.13 through the use of a scannable barcode or matrix barcode that links to a page on a website
133.14 maintained by the manufacturer or distributor if that page contains all of the information
133.15 required by this subdivision.
- 133.16 Subd. 6. **Additional information.** A cannabis microbusiness, cannabis mezzobusiness,
133.17 cannabis retailer, or medical cannabis retailer must provide customers and patients with the
133.18 following information by including the information on the label affixed to the packaging
133.19 or container of cannabis flower, a cannabis product, or a hemp-derived consumer product;
133.20 by posting the information in the premises of the cannabis microbusiness, cannabis
133.21 mezzobusiness, cannabis retailer, or medical cannabis retailer; by providing the information
133.22 on a separate document or pamphlet provided to customers or patients when the customer
133.23 purchases cannabis flower, a cannabis product, a lower-potency hemp edible, or a
133.24 hemp-derived consumer product:
- 133.25 (1) factual information about impairment effects and the expected timing of impairment
133.26 effects, side effects, adverse effects, and health risks of cannabis flower, cannabis products,
133.27 lower-potency hemp edibles, and hemp-derived consumer products;
- 133.28 (2) a statement that customers and patients must not operate a motor vehicle or heavy
133.29 machinery while under the influence of cannabis flower, cannabis products, lower-potency
133.30 hemp edibles, or hemp-derived consumer products;

(3) resources customers and patients may consult to answer questions about cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products, and any side effects and adverse effects;

(4) 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 and cannabis products;

(5) substance abuse disorder treatment options; and

(6) any other information specified by the office.

All labels affixed to the packaging of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products sold to customers or patients must include the following warning: "Cannabis can harm your health, and your baby's health if you are pregnant."

Sec. 65. [342.63] ADVERTISEMENT.

Subdivision 1. Limitations applicable to all advertisements. No cannabis business, hemp business, or other person shall publish or cause to be published an advertisement for cannabis flower, a cannabis business, a hemp business, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product in a manner that:

(1) contains false or misleading statements;

(2) contains unverified claims about the health or therapeutic benefits or effects of consuming cannabis or a cannabis product;

(3) promotes the overconsumption of cannabis flower, cannabis products, or hemp-derived consumer products;

(4) depicts a person under 21 years of age consuming cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(5) 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; or

(6) does not contain a warning as specified by the office regarding impairment and health risks, including driving while impaired, side effects, adverse reactions, and pregnancy complications.

135.1 Subd. 2. **Outdoor advertisements; cannabis business signs.** (a) A cannabis business
135.2 or hemp business may erect or utilize an outdoor advertisement of a cannabis business, a
135.3 hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a
135.4 hemp-derived consumer product.

135.5 (b) A cannabis business may erect up to two fixed outdoor signs on the exterior of the
135.6 building or property of the cannabis business or hemp business. A fixed outdoor sign:

135.7 (1) may contain the name of the cannabis business or hemp business and the address
135.8 and nature of the cannabis business or hemp business; and

135.9 (2) shall not include a logo or an image of any kind.

135.10 (c) All outdoor advertisements on land adjacent to an interstate or trunk highway must
135.11 comply with the requirements of chapter 173.

135.12 Subd. 3. **Audience under 21 years of age.** Except as provided in subdivision 2, a
135.13 cannabis business, hemp business, or other person shall not publish or cause to be published
135.14 an advertisement for a cannabis business, a hemp business, cannabis flower, a cannabis
135.15 product, a lower-potency hemp edible, or a hemp-derived consumer product in any print
135.16 publication or on radio, television, or any other medium if 30 percent or more of the audience
135.17 of that medium is reasonably expected to be individuals who are under 21 years of age, as
135.18 determined by reliable, current audience composition data.

135.19 Subd. 4. **Certain unsolicited advertising.** A cannabis business, hemp business, or
135.20 another person shall not utilize unsolicited pop-up advertisements on the internet to advertise
135.21 a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency
135.22 hemp edible, or a hemp-derived consumer product.

135.23 Subd. 5. **Advertising using direct, individualized communication or dialogue.** Before
135.24 a cannabis business, hemp business, or another person may advertise a cannabis business,
135.25 a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a
135.26 hemp-derived consumer product through direct, individualized communication or dialogue
135.27 controlled by the cannabis business, hemp business, or other person, the cannabis business,
135.28 hemp business, or other person must use a method of age affirmation to verify that the
135.29 recipient of the direct, individualized communication or dialogue is 21 years of age or older.
135.30 For purposes of this subdivision, the method of age affirmation may include user
135.31 confirmation, birth date disclosure, or another similar registration method.

135.32 Subd. 6. **Advertising using location-based devices.** A cannabis business, hemp business,
135.33 or another person shall not advertise a cannabis business, a hemp business, cannabis flower,

136.1 a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product
136.2 with advertising directed toward location-based devices, including but not limited to cellular
136.3 telephones, unless the owner of the device is 21 years of age or older.

136.4 Subd. 7. Advertising restrictions for health care practitioners under the medical
136.5 cannabis program. (a) A health care practitioner shall not publish or cause to be published
136.6 an advertisement that:

136.7 (1) contains false or misleading statements about the registry program;

136.8 (2) uses colloquial terms to refer to medical cannabis flower or medical cannabinoid
136.9 products, such as pot, weed, or grass;

136.10 (3) states or implies that the health care practitioner is endorsed by the office, the Division
136.11 of Medical Cannabis, or the registry program;

136.12 (4) includes images of cannabis flower, hemp plant parts, or images of paraphernalia
136.13 commonly used to smoke cannabis flower;

136.14 (5) contains medical symbols that could reasonably be confused with symbols of
136.15 established medical associations or groups; or

136.16 (6) does not contain a warning as specified by the office regarding impairment and health
136.17 risks, including driving while impaired, side effects, adverse reactions, and pregnancy
136.18 complications.

136.19 (b) A health care practitioner found by the office to have violated this subdivision is
136.20 prohibited from certifying that patients have a qualifying medical condition for purposes
136.21 of patient participation in the registry program. A decision by the office that a health care
136.22 practitioner has violated this subdivision is a final decision and is not subject to the contested
136.23 case procedures in chapter 14.

136.24 **Sec. 66. [342.64] INDUSTRIAL HEMP.**

136.25 Nothing in this chapter shall limit the ability of a person licensed under chapter 18K to
136.26 grow industrial hemp for commercial or research purposes, process industrial hemp for
136.27 commercial purposes, sell hemp fiber products and hemp grain, manufacture hemp-derived
136.28 topical products, or perform any other actions authorized by the commissioner of agriculture.
136.29 For purposes of this section, "processing" has the meaning given in section 18K.02,
136.30 subdivision 5, and does not include the process of creating synthetically derived cannabinoids.

137.1 Sec. 67. **[342.65] LEGAL ASSISTANCE TO CANNABIS BUSINESSES.**

137.2 An attorney must not be subject to disciplinary action by the Minnesota Supreme Court
137.3 or professional responsibility board for providing legal assistance to prospective or licensed
137.4 cannabis businesses, hemp businesses, or others for activities that do not violate this chapter
137.5 or chapter 152.

137.6 Sec. 68. **[342.66] HEMP-DERIVED TOPICAL PRODUCTS.**

137.7 Subdivision 1. **Scope.** This section applies to the manufacture, marketing, distribution,
137.8 and sale of hemp-derived topical products.

137.9 Subd. 2. **Approved cannabinoids.** (a) Products manufactured, marketed, distributed,
137.10 and sold under this section may contain cannabidiol or cannabigerol. Except as provided
137.11 in paragraph (c), products may not contain any other cannabinoid unless approved by the
137.12 office.

137.13 (b) The office may approve any cannabinoid, other than any tetrahydrocannabinol, and
137.14 authorize its use in manufacturing, marketing, distribution, and sales under this section if
137.15 the office determines that the cannabinoid is a nonintoxicating cannabinoid.

137.16 (c) A product manufactured, marketed, distributed, and sold under this section may
137.17 contain cannabinoids other than cannabidiol, cannabigerol, or any other cannabinoid approved
137.18 by the office provided that the cannabinoids are naturally occurring in hemp plants or hemp
137.19 plant parts and the total of all other cannabinoids present in a product does not exceed one
137.20 milligram per package.

137.21 Subd. 3. **Approved products.** Products sold to consumers under this section may only
137.22 be manufactured, marketed, distributed, intended, or generally expected to be used by
137.23 applying the product externally to a part of the body of a human or animal.

137.24 Subd. 4. **Labeling.** Hemp-derived topical products must meet the labeling requirements
137.25 in section 342.62, subdivision 5.

137.26 Subd. 5. **Prohibitions.** (a) A product sold to consumers under this section must not be
137.27 manufactured, marketed, distributed, or intended:

137.28 (1) for external or internal use in the diagnosis, cure, mitigation, treatment, or prevention
137.29 of disease in humans or other animals;

137.30 (2) to affect the structure or any function of the bodies of humans or other animals;

137.31 (3) to be consumed by combustion or vaporization of the product and inhalation of
137.32 smoke, aerosol, or vapor from the product;

138.1 (4) to be consumed through chewing; or

138.2 (5) to be consumed through injection or application to a mucous membrane or nonintact
138.3 skin.

138.4 (b) A product manufactured, marketed, distributed, or sold to consumers under this
138.5 section must not:

138.6 (1) consist, in whole or in part, of any filthy, putrid, or decomposed substance;

138.7 (2) have been produced, prepared, packed, or held under unsanitary conditions where
138.8 the product may have been rendered injurious to health, or where the product may have
138.9 been contaminated with filth;

138.10 (3) be packaged in a container that is composed, in whole or in part, of any poisonous
138.11 or deleterious substance that may render the contents injurious to health;

138.12 (4) contain any additives or excipients that have been found by the United States Food
138.13 and Drug Administration to be unsafe for human or animal consumption;

138.14 (5) contain a cannabinoid or an amount or percentage of cannabinoids that is different
138.15 than the information stated on the label;

138.16 (6) contain a cannabinoid, other than cannabidiol, cannabigerol, or a cannabinoid
138.17 approved by the office, in an amount that exceeds the standard established in subdivision
138.18 2, paragraph (c); or

138.19 (7) contain any contaminants for which testing is required by the office in amounts that
138.20 exceed the acceptable minimum standards established by the office.

138.21 (c) No product containing any cannabinoid may be sold to any individual who is under
138.22 21 years of age.

138.23 Subd. 6. **Enforcement.** The office may enforce this section under the relevant provisions
138.24 of section 342.17.

138.25 Sec. 69. **[342.67] CANNABIS INDUSTRY COMMUNITY RENEWAL GRANTS.**

138.26 Subdivision 1. **Establishment.** The Office of Cannabis Management shall establish
138.27 CanRenew, a program to award grants to eligible organizations for investments in
138.28 communities where long-term residents are eligible to be social equity applicants.

138.29 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
138.30 meanings given.

(b) "Community investment" means a project or program designed to improve community-wide outcomes or experiences and may include efforts targeting economic development, violence prevention, youth development, or civil legal aid, among others.

(c) "Eligible community" means a community where long-term residents are eligible to be social equity applicants.

(d) "Eligible organization" means any organization able to make an investment in a community where long-term residents are eligible to be social equity applicants and may include educational institutions, nonprofit organizations, private businesses, community groups, units of local government, or partnerships between different types of organizations.

(e) "Program" means the CanRenew grant program.

(f) "Social equity applicant" means a person who meets the qualification requirements in section 342.15.

Subd. 3. **Grants to organizations.** (a) The office must award grants to eligible organizations through a competitive grant process.

(b) To receive grant money, an eligible organization must submit a written application to the office, using a form developed by the office, explaining the community investment the organization wants to make in an eligible community.

(c) An eligible organization's grant application must also include:

(1) an analysis of the community's need for the proposed investment;

(2) a description of the positive impact that the proposed investment is expected to generate for that community;

(3) any evidence of the organization's ability to successfully achieve that positive impact;

(4) any evidence of the organization's past success in making similar community investments;

(5) an estimate of the cost of the proposed investment;

(6) the sources and amounts of any nonstate funds or in-kind contributions that will supplement grant money; and

(7) any additional information requested by the office.

(d) In awarding grants under this subdivision, the office shall give weight to applications from organizations that demonstrate a history of successful community investments, particularly in geographic areas that are now eligible communities. The office shall also

140.1 give weight to applications where there is demonstrated community support for the proposed
140.2 investment. The office shall fund investments in eligible communities throughout the state.

140.3 Subd. 4. **Program outreach.** The office shall make extensive efforts to publicize these
140.4 grants, including through partnerships with community organizations, particularly those
140.5 located in eligible communities.

140.6 Subd. 5. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,
140.7 the office must submit a report to the chairs and ranking minority members of the committees
140.8 of the house of representatives and the senate having jurisdiction over community
140.9 development that details awards given through the CanRenew program and the use of grant
140.10 money, including any measures of successful community impact from the grants.

140.11 Sec. 70. **[342.68] SUBSTANCE USE TREATMENT, RECOVERY, AND**
140.12 **PREVENTION GRANTS.**

140.13 Subdivision 1. **Account established; appropriation.** A substance use treatment, recovery,
140.14 and prevention grant account is created in the special revenue fund. Money in the account,
140.15 including interest earned, is appropriated to the office for the purposes specified in this
140.16 section.

140.17 Subd. 2. **Acceptance of gifts and grants.** Notwithstanding sections 16A.013 to 16A.016,
140.18 the office may accept money contributed by individuals and may apply for grants from
140.19 charitable foundations to be used for the purposes identified in this section. The money
140.20 accepted under this section must be deposited in the substance use treatment, recovery, and
140.21 prevention grant account created under subdivision 1.

140.22 Subd. 3. **Disposition of money; grants.** (a) Money in the substance use treatment,
140.23 recovery, and prevention grant account must be distributed as follows:

140.24 (1) 75 percent of the money is for grants for recovery programs and substance use
140.25 disorder treatment, as defined in section 245G.01, subdivision 24, and may be used for
140.26 substance use disorder treatment providers to adopt evidence-based, culturally informed,
140.27 and responsive treatment and services. Funds may be used to support the expansion of peer
140.28 and recovery specialists, cover housing costs in sober homes for persons with low incomes,
140.29 expand co-occurring programming for persons with mental illnesses and substance use
140.30 disorders, support first episode psychosis programs, provide harm reduction services, and
140.31 provide start-up funding for culturally specific providers of substance use disorder services.
140.32 The office shall consult with the commissioner of human services to determine appropriate
140.33 provider rate increases or modifications to existing payment methodologies;

141.1 (2) 20 percent of the money is for grants for substance use disorder prevention; and

141.2 (3) five percent of the money is for grants to educate pregnant individuals, breastfeeding
141.3 individuals, and individuals who may become pregnant on the adverse health effects of
141.4 substance use.

141.5 (b) The office shall consult with the commissioner of human services and the
141.6 commissioner of health to develop an appropriate application process, establish grant
141.7 requirements, determine what organizations are eligible to receive grants, and establish
141.8 reporting requirements for grant recipients.

141.9 Subd. 4. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,
141.10 the office must submit a report to the chairs and ranking minority members of the committees
141.11 of the house of representatives and the senate having jurisdiction over health and human
141.12 services policy and finance that details grants awarded from the substance use treatment,
141.13 recovery, and prevention grant account, including the total amount awarded, total number
141.14 of recipients, and geographic distribution of those recipients.

141.15 Sec. 71. **[342.69] CANNABIS GROWER GRANTS.**

141.16 Subdivision 1. **Establishment.** The office, in consultation with the commissioner of
141.17 agriculture, shall establish CanGrow, a program to award grants to (1) eligible organizations
141.18 to help farmers navigate the regulatory structure of the legal cannabis industry, and (2)
141.19 nonprofit corporations to fund loans to farmers for expansion into the legal cannabis industry.

141.20 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
141.21 meanings given.

141.22 (b) "Eligible organization" means any organization capable of helping farmers navigate
141.23 the regulatory structure of the legal cannabis industry, particularly individuals facing barriers
141.24 to education or employment, and may include educational institutions, nonprofit
141.25 organizations, private businesses, community groups, units of local government, or
141.26 partnerships between different types of organizations.

141.27 (c) "Industry" means the legal cannabis industry in the state of Minnesota.

141.28 (d) "Program" means the CanGrow grant program.

141.29 (e) "Social equity applicant" means a person who meets the qualification requirements
141.30 in section 342.15.

141.31 Subd. 3. **Technical assistance grants.** (a) Grant money awarded to eligible organizations
141.32 may be used for both developing technical assistance resources relevant to the regulatory

142.1 structure of the legal cannabis industry and for providing such technical assistance or
142.2 navigation services to farmers.

142.3 (b) The office must award grants to eligible organizations through a competitive grant
142.4 process.

142.5 (c) To receive grant money, an eligible organization must submit a written application
142.6 to the office, using a form developed by the office, explaining the organization's ability to
142.7 assist farmers in navigating the regulatory structure of the legal cannabis industry, particularly
142.8 farmers facing barriers to education or employment.

142.9 (d) An eligible organization's grant application must also include:

142.10 (1) a description of the proposed technical assistance or navigation services, including
142.11 the types of farmers targeted for assistance;

142.12 (2) any evidence of the organization's past success in providing technical assistance or
142.13 navigation services to farmers, particularly farmers who live in areas where long-term
142.14 residents are eligible to be social equity applicants;

142.15 (3) an estimate of the cost of providing the technical assistance;

142.16 (4) the sources and amounts of any nonstate funds or in-kind contributions that will
142.17 supplement grant money, including any amounts that farmers will be charged to receive
142.18 assistance; and

142.19 (5) any additional information requested by the office.

142.20 (e) In awarding grants under this subdivision, the office shall give weight to applications
142.21 from organizations that demonstrate a history of successful technical assistance or navigation
142.22 services, particularly for farmers facing barriers to education or employment. The office
142.23 shall also give weight to applications where the proposed technical assistance will serve
142.24 areas where long-term residents are eligible to be social equity applicants. The office shall
142.25 fund technical assistance to farmers throughout the state.

142.26 Subd. 4. **Loan financing grants.** (a) The office shall establish a revolving loan account
142.27 to make loan financing grants under the CanGrow program.

142.28 (b) The office must award grants to nonprofit corporations through a competitive grant
142.29 process.

142.30 (c) To receive grant money, a nonprofit corporation must submit a written application
142.31 to the office using a form developed by the office.

143.1 (d) In awarding grants under this subdivision, the office shall give weight to whether
143.2 the nonprofit corporation:

143.3 (1) has a board of directors that includes individuals experienced in agricultural business
143.4 development;

143.5 (2) has the technical skills to analyze projects;

143.6 (3) is familiar with other available public and private funding sources and economic
143.7 development programs;

143.8 (4) can initiate and implement economic development projects;

143.9 (5) can establish and administer a revolving loan account; and

143.10 (6) has established relationships with communities where long-term residents are eligible
143.11 to be social equity applicants.

143.12 The office shall make grants that will help farmers enter the legal cannabis industry
143.13 throughout the state.

143.14 (e) A nonprofit corporation that receives grants under the program must:

143.15 (1) establish an office-certified revolving loan account for the purpose of making eligible
143.16 loans; and

143.17 (2) enter into an agreement with the office that the office shall fund loans that the
143.18 nonprofit corporation makes to farmers entering the legal cannabis industry. The office shall
143.19 review existing agreements with nonprofit corporations every five years and may renew or
143.20 terminate an agreement based on that review. In making this review, the office shall consider,
143.21 among other criteria, the criteria in paragraph (d).

143.22 Subd. 5. **Loans to farmers.** (a) The criteria in this subdivision apply to loans made by
143.23 nonprofit corporations under the program.

143.24 (b) A loan must be used to support a farmer in entering the legal cannabis industry.
143.25 Priority must be given to loans to businesses owned by farmers who are eligible to be social
143.26 equity applicants and businesses located in communities where long-term residents are
143.27 eligible to be social equity applicants.

143.28 (c) Loans must be made to businesses that are not likely to undertake the project for
143.29 which loans are sought without assistance from the program.

143.30 (d) The minimum state contribution to a loan is \$2,500 and the maximum is either:

143.31 (1) \$50,000; or

144.1 (2) \$150,000, if state contributions are matched by an equal or greater amount of new
144.2 private investment.

144.3 (e) Loan applications given preliminary approval by the nonprofit corporation must be
144.4 forwarded to the office for approval. The office must give final approval for each loan made
144.5 by the nonprofit corporation under the program.

144.6 (f) If the borrower has met lender criteria, including being current with all payments for
144.7 a minimum of three years, the office may approve either full or partial forgiveness of interest
144.8 or principal amounts.

144.9 Subd. 6. **Revolving loan account administration.** (a) The office shall establish a
144.10 minimum interest rate for loans or guarantees to ensure that necessary loan administration
144.11 costs are covered. The interest rate charged by a nonprofit corporation for a loan under this
144.12 section must not exceed the Wall Street Journal prime rate. For a loan under this section,
144.13 the nonprofit corporation may charge a loan origination fee equal to or less than one percent
144.14 of the loan value. The nonprofit corporation may retain the amount of the origination fee.

144.15 (b) Loan repayment of principal must be paid to the office for deposit in the revolving
144.16 loan account. Loan interest payments must be deposited in a revolving loan account created
144.17 by the nonprofit corporation originating the loan being repaid for further distribution or use,
144.18 consistent with the criteria of this section.

144.19 (c) Administrative expenses of the nonprofit corporations with whom the office enters
144.20 into agreements, including expenses incurred by a nonprofit corporation in providing
144.21 financial, technical, managerial, and marketing assistance to a business receiving a loan
144.22 under this section, are eligible program expenses that the office may agree to pay under the
144.23 grant agreement.

144.24 Subd. 7. **Program outreach.** The office shall make extensive efforts to publicize these
144.25 grants, including through partnerships with community organizations, particularly those
144.26 located in areas where long-term residents are eligible to be social equity applicants.

144.27 Subd. 8. **Reporting requirements.** (a) A nonprofit corporation that receives a grant
144.28 under subdivision 4 shall:

144.29 (1) submit an annual report to the office by January 15 of each year that the nonprofit
144.30 corporation participates in the program that includes a description of agricultural businesses
144.31 supported by the grant program, an account of loans made during the calendar year, the
144.32 program's impact on farmers' ability to expand into the legal cannabis industry, the source

145.1 and amount of money collected and distributed by the program, the program's assets and
145.2 liabilities, and an explanation of administrative expenses; and

145.3 (2) provide for an independent annual audit to be performed in accordance with generally
145.4 accepted accounting practices and auditing standards and submit a copy of each annual
145.5 audit report to the office.

145.6 (b) By February 15, 2024, and each February 15 thereafter, the office must submit a
145.7 report to the chairs and ranking minority members of the committees of the house of
145.8 representatives and the senate having jurisdiction over agriculture that details awards given
145.9 through the CanGrow program and the use of grant money, including any measures of
145.10 success toward helping farmers enter the legal cannabis industry. The report must include
145.11 geographic information regarding the issuance of grants and loans under this section, the
145.12 repayment rate of loans issued under subdivision 5, and a summary of the amount of loans
145.13 forgiven.

145.14 Sec. 72. **[342.70] LAWFUL ACTIVITIES.**

145.15 (a) Notwithstanding any law to the contrary, the cultivation, manufacturing, possessing,
145.16 and selling of cannabis flower, cannabis products, synthetically derived cannabinoids,
145.17 lower-potency hemp edibles, and hemp-derived consumer products by a licensed cannabis
145.18 business in conformity with the rights granted by a cannabis business license is lawful and
145.19 may not be the grounds for the seizure or forfeiture of property, arrest or prosecution, or
145.20 search or inspections except as provided by this chapter.

145.21 (b) A person acting as an agent of a licensed cannabis retailer or licensed cannabis
145.22 microbusiness who sells or otherwise transfers cannabis flower, cannabis products,
145.23 lower-potency hemp edibles, or hemp-derived consumer products to a person under 21 years
145.24 of age is not subject to arrest, prosecution, or forfeiture of property if the person complied
145.25 with section 342.28, subdivision 4, and any rules promulgated pursuant to this chapter.

145.26 Sec. 73. **[342.71] CIVIL ACTIONS.**

145.27 Subdivision 1. **Right of action.** A spouse, child, parent, guardian, employer, or other
145.28 person injured in person, property, or means of support or who incurs other pecuniary loss
145.29 by an intoxicated person or by the intoxication of another person, has a right of action in
145.30 the person's own name for all damages sustained against a person who caused the intoxication
145.31 of that person by illegally selling cannabis flower or cannabis products. All damages
145.32 recovered by a minor under this section must be paid either to the minor or to the minor's
145.33 parent, guardian, or next friend as the court directs.

146.1 Subd. 2. **Actions.** All suits for damages under this section must be by civil action in a
146.2 court of this state having jurisdiction.

146.3 Subd. 3. **Comparative negligence.** Actions under this section are governed by section
146.4 604.01.

146.5 Subd. 4. **Defense.** It is a defense for the defendant to prove by a preponderance of the
146.6 evidence that the defendant reasonably and in good faith relied upon representations of
146.7 proof of age in selling, bartering, furnishing, or giving the cannabis or cannabis product.

146.8 Subd. 5. **Common law claims.** Nothing in this chapter precludes common law tort claims
146.9 against any person 21 years old or older who knowingly provides or furnishes cannabis
146.10 flower or cannabis products to a person under the age of 21 years.

146.11 Sec. 74. **[342.73] NUISANCE; ACTION.**

146.12 Subdivision 1. **Nuisance.** Any use of adult-use cannabis flower which is injurious to
146.13 health, indecent or offensive to the senses, or an obstruction to the free use of property so
146.14 as to interfere with the comfortable enjoyment of life or property is a nuisance.

146.15 Subd. 2. **Actions; landlord; association.** (a) A person who is injuriously affected or
146.16 whose personal enjoyment is lessened by a nuisance under subdivision 1 may bring an
146.17 action for injunctive relief and the greater of the person's actual damages or a civil penalty
146.18 of \$250.

146.19 (b) If a landlord, as defined in section 504B.001, subdivision 7, or an association, as
146.20 defined in section 515B.1-103, clause (4), fails to enforce the terms of a lease, governing
146.21 document, or policy related to the use of adult-use cannabis flower on the premises or
146.22 property, a person who is injuriously affected or whose personal enjoyment is lessened by
146.23 a nuisance under subdivision 1 as a result of the failure to enforce the terms may bring an
146.24 action against the landlord or association seeking injunctive relief and the greater of the
146.25 person's actual damages or a civil penalty of \$500.

146.26 **EFFECTIVE DATE.** This section is effective July 1, 2023, and applies to causes of
146.27 actions accruing on or after that date.

146.28 Sec. 75. **REPORT; TRAFFIC AND TRANSPORTATION ISSUES.**

146.29 By January 31, 2024, the Office of Cannabis Management must submit a report to the
146.30 chairs and ranking minority members of the legislative committees with jurisdiction over
146.31 transportation policy and finance. At a minimum, the report must include:

147.1 (1) a description of all rules adopted that relate to traffic and transportation laws and
147.2 cannabis transporter licensing and operations;

147.3 (2) recommendations on changes to statutes that would codify the rules; and

147.4 (3) recommendations on how to improve any aspects of this act. The recommendations
147.5 must be developed in consultation with the commissioner of transportation, the commissioner
147.6 of public safety, the colonel of the State Patrol, and the director of the Office of Traffic
147.7 Safety in the Department of Public Safety.

147.8 Sec. 76. **TRANSPORTER LICENSE ESTABLISHMENT.**

147.9 When establishing the process for issuing transporter licenses and the requirements for
147.10 obtaining a transporter license, the Office of Cannabis Management must consult with the
147.11 Commissioner of Transportation about best practices for issuing licenses.

147.12 Sec. 77. **INITIAL APPOINTMENTS; FIRST TERMS; FIRST MEETING FOR THE**
147.13 **CANNABIS ADVISORY COUNCIL.**

147.14 Subdivision 1. **Appointments; first terms.** Appointing authorities must make the first
147.15 appointments to the Cannabis Advisory Council under Minnesota Statutes, section 342.03,
147.16 by August 1, 2023. The members appointed under Minnesota Statutes, section 342.03,
147.17 subdivision 1, paragraph (a), clauses (14) to (26) and (38), items (i) to (vi), shall serve terms
147.18 coterminous with the governor. The members appointed under Minnesota Statutes, section
147.19 342.03, subdivision 1, paragraph (a), clauses (27) to (37) and (38), items (vii) to (xi), shall
147.20 serve terms that conclude the year after the end of a governor's term.

147.21 Subd. 2. **First meeting.** The director of the Office of Cannabis Management shall convene
147.22 the first meeting of the Cannabis Advisory Council by September 15, 2023.

147.23 Sec. 78. **EFFECTIVE DATE.**

147.24 Except as otherwise provided, each section of this article is effective July 1, 2023.

ARTICLE 2**TAXES**

Section 1. Minnesota Statutes 2022, section 270B.12, is amended by adding a subdivision to read:

Subd. 4a. **Office of Cannabis Management.** The commissioner may disclose return information to the Office of Cannabis Management for the purpose of and to the extent necessary to administer section 270C.726.

EFFECTIVE DATE. This section is effective June 30, 2023.

Sec. 2. **[270C.726] POSTING OF TAX DELINQUENCY; SALE OF CANNABIS.**

Subdivision 1. **Posting; notice.** (a) Pursuant to the authority to disclose under section 270B.12, subdivision 4a, the commissioner shall, by the 15th of each month, submit to the Office of Cannabis Management a list of all taxpayers subject to the tax imposed by section 295.81 that are required to pay, withhold, or collect the tax imposed by sections 290.02, 290.0922, 290.92, 290.9727, 290.9728, 290.9729, 295.81, or 297A.62 or local sales and use tax payable to the commissioner, or a local option sales and use tax administered and collected by the commissioner, and who are ten days or more delinquent in either filing a tax return or paying the tax.

(b) The commissioner is under no obligation to list a taxpayer whose business is inactive. At least ten days before notifying the Office of Cannabis Management, the commissioner shall notify the taxpayer of the intended action.

(c) The Office of Cannabis Management shall post the list required by this section on the Office of Cannabis Management website. The list must prominently show the date of posting. If a taxpayer previously listed files all returns and pays all taxes specified in this subdivision then due, the commissioner shall notify the Office of Cannabis Management within two business days.

Subd. 2. **Sales prohibited.** Beginning the third business day after the list is posted, no cannabis cultivator, cannabis manufacturer, cannabis microbusiness, cannabis mezzobusiness, cannabis wholesaler, or industrial hemp grower as defined in chapter 342 may sell or deliver any product to a taxpayer included on the posted list.

Subd. 3. **Penalty.** A cannabis cultivator, cannabis manufacturer, cannabis microbusiness, cannabis mezzobusiness, cannabis wholesaler, or industrial hemp grower as defined in

149.1 chapter 342 who violates subdivision 2 is subject to the penalties provided in sections 342.19
149.2 and 342.21.

149.3 **EFFECTIVE DATE.** This section is effective June 30, 2023.

149.4 Sec. 3. Minnesota Statutes 2022, section 273.13, subdivision 24, is amended to read:

149.5 Subd. 24. **Class 3.** Commercial and industrial property and utility real and personal
149.6 property is class 3a.

149.7 (1) Except as otherwise provided, each parcel of commercial, industrial, or utility real
149.8 property has a classification rate of 1.5 percent of the first tier of market value, and 2.0
149.9 percent of the remaining market value. In the case of contiguous parcels of property owned
149.10 by the same person or entity, only the value equal to the first-tier value of the contiguous
149.11 parcels qualifies for the reduced classification rate, except that contiguous parcels owned
149.12 by the same person or entity shall be eligible for the first-tier value classification rate on
149.13 each separate business operated by the owner of the property, provided the business is
149.14 housed in a separate structure. For the purposes of this subdivision, the first tier means the
149.15 first \$150,000 of market value. Real property owned in fee by a utility for transmission line
149.16 right-of-way shall be classified at the classification rate for the higher tier.

149.17 For purposes of this subdivision, parcels are considered to be contiguous even if they
149.18 are separated from each other by a road, street, waterway, or other similar intervening type
149.19 of property. Connections between parcels that consist of power lines or pipelines do not
149.20 cause the parcels to be contiguous. Property owners who have contiguous parcels of property
149.21 that constitute separate businesses that may qualify for the first-tier classification rate shall
149.22 notify the assessor by July 1, for treatment beginning in the following taxes payable year.

149.23 (2) All personal property that is: (i) part of an electric generation, transmission, or
149.24 distribution system; or (ii) part of a pipeline system transporting or distributing water, gas,
149.25 crude oil, or petroleum products; and (iii) not described in clause (3), and all railroad
149.26 operating property has a classification rate as provided under clause (1) for the first tier of
149.27 market value and the remaining market value. In the case of multiple parcels in one county
149.28 that are owned by one person or entity, only one first tier amount is eligible for the reduced
149.29 rate.

149.30 (3) The entire market value of personal property that is: (i) tools, implements, and
149.31 machinery of an electric generation, transmission, or distribution system; (ii) tools,
149.32 implements, and machinery of a pipeline system transporting or distributing water, gas,
149.33 crude oil, or petroleum products; or (iii) the mains and pipes used in the distribution of

steam or hot or chilled water for heating or cooling buildings, has a classification rate as provided under clause (1) for the remaining market value in excess of the first tier.

(4) Real property used for raising, cultivating, processing, or storing cannabis plants, cannabis flower, or cannabis products for sale has a classification rate as provided under clause (1) for the first tier of market value and the remaining market value. As used in this paragraph, "cannabis plant" has the meaning given in section 342.01, subdivision 18, "cannabis flower" has the meaning given in section 342.01, subdivision 15, and "cannabis product" has the meaning given in section 342.01, subdivision 19.

EFFECTIVE DATE. This section is effective beginning with assessment year 2024 and thereafter.

Sec. 4. Minnesota Statutes 2022, section 275.025, subdivision 2, is amended to read:

Subd. 2. **Commercial-industrial tax capacity.** For the purposes of this section, "commercial-industrial tax capacity" means the tax capacity of all taxable property classified as class 3 or class 5(1) under section 273.13, excluding:

(1) the tax capacity attributable to the first \$150,000 of market value of each parcel of commercial-industrial property as defined under section 273.13, subdivision 24, clauses (1) ~~and~~, (2), and (4);

(2) electric generation attached machinery under class 3; and

(3) property described in section 473.625.

County commercial-industrial tax capacity amounts are not adjusted for the captured net tax capacity of a tax increment financing district under section 469.177, subdivision 2, the net tax capacity of transmission lines deducted from a local government's total net tax capacity under section 273.425, or fiscal disparities contribution and distribution net tax capacities under chapter 276A or 473F. For purposes of this subdivision, the procedures for determining eligibility for tier 1 under section 273.13, subdivision 24, clauses (1) and (2), shall apply in determining the portion of a property eligible to be considered within the first \$150,000 of market value.

EFFECTIVE DATE. This section is effective beginning with assessment year 2024 and thereafter.

Sec. 5. **[289A.33] FILING REQUIREMENTS AND DUE DATES; SPECIAL RULES.**

(a) Upon the request of any cannabis business as defined by section 342.01, subdivision 13, required to collect and remit taxes imposed under section 295.81, chapter 290, or chapter 297A, the commissioner shall waive the requirement that payment of tax must be made electronically if the failure to pay electronically is because the cannabis business is unable to secure banking services and the inability to secure the services is due to its engagement in cannabis-related business allowed under Minnesota law.

(b) If, in consultation with the commissioner of commerce, the commissioner determines that the inability to find banking services is widespread and enforcement of the electronic payment requirement will significantly impede the ability of cannabis businesses to timely pay taxes imposed under section 295.81, chapter 290, or chapter 297A, the commissioner may publish notice on the department website that waives the requirement to pay the tax electronically. If such notice is published, a cannabis business must file returns and pay taxes lawfully due in the form and manner prescribed by the commissioner.

(c) Nothing in this section relieves a cannabis business from timely filing and paying taxes.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 6. Minnesota Statutes 2022, section 290.0132, subdivision 29, is amended to read:

Subd. 29. **Disallowed section 280E expenses; medical cannabis manufacturers licensees.** The amount of expenses of a medical cannabis manufacturer business, as defined under section 152.22, subdivision 7 342.01, subdivision 52, related to the business of medical cannabis under sections 152.21 to 152.37 342.47 to 342.59, or a license holder under chapter 342, related to the business of nonmedical cannabis under that chapter, and not allowed for federal income tax purposes under section 280E of the Internal Revenue Code is a subtraction.

EFFECTIVE DATE. This section is effective for taxable years beginning after December 31, 2022.

Sec. 7. Minnesota Statutes 2022, section 290.0134, subdivision 19, is amended to read:

Subd. 19. **Disallowed section 280E expenses; medical cannabis manufacturers licensees.** The amount of expenses of a medical cannabis manufacturer business, as defined under section 152.22, subdivision 7 342.01, subdivision 52, related to the business of medical cannabis under sections 152.21 to 152.37 342.47 to 342.59, or a license holder under chapter

152.1 342, related to the business of nonmedical cannabis under that chapter, and not allowed for
152.2 federal income tax purposes under section 280E of the Internal Revenue Code is a subtraction.

152.3 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
152.4 31, 2022.

152.5 Sec. 8. **[295.81] CANNABIS GROSS RECEIPTS TAX.**

152.6 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
152.7 the meanings given.

152.8 (b) "Bundled transaction" means the retail sale of two or more products when the products
152.9 are otherwise distinct and identifiable, and the products are sold for one nonitemized price.

152.10 (c) "Cannabis flower" has the meaning given in section 342.01, subdivision 15.

152.11 (d) "Cannabis product" has the meaning given in section 342.01, subdivision 19.

152.12 (e) "Cannabis solution product" means any cartridge, bottle, or other package that contains
152.13 a taxable cannabis product in a solution that is consumed or meant to be consumed through
152.14 the use of a heating element, power source, electronic circuit, or other electronic, chemical,
152.15 or mechanical means that produces vapor or aerosol. A cannabis solution product includes
152.16 any electronic delivery system, electronic vaping device, electronic vape pen, electronic
152.17 oral device, electronic delivery device, or similar product or device, and any batteries,
152.18 heating elements, or other components, parts, or accessories sold with and meant to be used
152.19 in the consumption of a solution containing a taxable cannabis product.

152.20 (f) "Cannabis mezzobusiness" means a cannabis business licensed under section 342.31.

152.21 (g) "Cannabis microbusiness" means a cannabis business licensed under section 342.29.

152.22 (h) "Cannabis retailer" means a cannabis business licensed under section 342.27.

152.23 (i) "Commissioner" means the commissioner of revenue.

152.24 (j) "Gross receipts" means the total amount received, in money or by barter or exchange,
152.25 for all taxable cannabis product sales at retail as measured by the sales price. Gross receipts
152.26 include but are not limited to delivery charges and packaging costs. Gross receipts do not
152.27 include:

152.28 (1) any taxes imposed directly on the customer that are separately stated on the invoice,
152.29 bill of sale, or similar document given to the purchaser; and

152.30 (2) discounts, including cash, terms, or coupons, that are not reimbursed by a third party
152.31 and that are allowed by the seller and taken by a purchaser on a sale.

153.1 (k) "Hemp-derived consumer product" has the meaning given in section 342.01,
153.2 subdivision 35.

153.3 (l) "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision
153.4 49.

153.5 (m) "Lower-potency hemp edible retailer" means a cannabis business licensed under
153.6 section 342.41, subdivision 1, paragraph (b), clause (1).

153.7 (n) "Medical cannabis flower" has the meaning given in section 342.01, subdivision 53.

153.8 (o) "Medical cannabinoid product" has the meaning given in section 342.01, subdivision
153.9 51.

153.10 (p) "Medical cannabis paraphernalia" has the meaning given in section 342.01,
153.11 subdivision 54.

153.12 (q) "Retail sale" has the meaning given in section 297A.61, subdivision 4.

153.13 (r) "Taxable cannabis product" means cannabis flower, cannabis product, cannabis
153.14 solution product, hemp-derived consumer product, lower-potency hemp edible, and any
153.15 substantially similar product.

153.16 (s) "Taxable cannabis product retailer" means a retailer that sells any taxable cannabis
153.17 product and includes a cannabis retailer, cannabis microbusiness, cannabis mezzobusiness,
153.18 and lower-potency hemp edible retailer. Taxable cannabis product retailer includes but is
153.19 not limited to a:

153.20 (1) retailer maintaining a place of business in this state;

153.21 (2) marketplace provider maintaining a place of business in this state, as defined in
153.22 section 297A.66, subdivision 1, paragraph (a);

153.23 (3) retailer not maintaining a place of business in this state; and

153.24 (4) marketplace provider not maintaining a place of business in this state, as defined in
153.25 section 297A.66, subdivision 1, paragraph (b).

153.26 Subd. 2. **Gross receipts tax imposed.** (a) A tax equal to ten percent of gross receipts
153.27 from retail sales in Minnesota of taxable cannabis products is imposed on any taxable
153.28 cannabis product retailer that sells these products to customers. A taxable cannabis product
153.29 retailer may but is not required to collect the tax imposed by this section from the purchaser
153.30 as long as the tax is separately stated on the receipt, invoice, bill of sale, or similar document
153.31 given to the purchaser.

154.1 (b) If a product subject to the tax imposed by this section is included in a bundled
154.2 transaction, the entire sales price of the bundled transaction is subject to the tax imposed
154.3 by this section.

154.4 (c) The tax imposed under this section is in addition to any other tax imposed on the
154.5 sale or use of taxable cannabis products.

154.6 Subd. 3. **Use tax imposed; credit for taxes paid.** (a) A person that receives taxable
154.7 cannabis products for use or storage in Minnesota, other than from a taxable cannabis product
154.8 retailer that paid the tax under subdivision 2, is subject to tax at the rate imposed under
154.9 subdivision 2. Liability for the tax is incurred when the person has possession of the taxable
154.10 cannabis product in Minnesota. The tax must be remitted to the commissioner in the same
154.11 manner prescribed for taxes imposed under chapter 297A.

154.12 (b) A person that has paid taxes to another state or any subdivision thereof on the same
154.13 transaction and is subject to tax under this section is entitled to a credit for the tax legally
154.14 due and paid to another state or subdivision thereof to the extent of the lesser of (1) the tax
154.15 actually paid to the other state or subdivision thereof, or (2) the amount of tax imposed by
154.16 Minnesota on the transaction subject to tax in the other state or subdivision thereof.

154.17 Subd. 4. **Exemptions.** (a) The use tax imposed under subdivision 3, paragraph (a), does
154.18 not apply to the possession, use, or storage of taxable cannabis products if (1) the taxable
154.19 cannabis products have an aggregate cost in any calendar month to the customer of \$100
154.20 or less and (2) the taxable cannabis products were carried into this state by the customer.

154.21 (b) The tax imposed under this section does not apply to sales of medical items purchased
154.22 by or for the patients enrolled in the registry program, including medical cannabis flower,
154.23 medical cannabinoid products, and medical cannabis paraphernalia.

154.24 (c) Unless otherwise specified in this section, the exemptions applicable to taxes imposed
154.25 under chapter 297A are not applicable to the taxes imposed under this section.

154.26 Subd. 5. **Tax collection required.** A taxable cannabis product retailer with nexus in
154.27 Minnesota, who is not subject to tax under subdivision 2, is required to collect the tax
154.28 imposed under subdivision 3 from the purchaser of the taxable cannabis product and give
154.29 the purchaser a receipt for the tax paid. The tax collected must be remitted to the
154.30 commissioner in the same manner prescribed for the taxes imposed under chapter 297A.

154.31 Subd. 6. **Taxes paid to another state or any subdivision thereof; credit.** A taxable
154.32 cannabis product retailer that has paid taxes to another state or any subdivision thereof
154.33 measured by gross receipts and is subject to tax under this section on the same gross receipts

155.1 is entitled to a credit for the tax legally due and paid to another state or any subdivision
155.2 thereof to the extent of the lesser of (1) the tax actually paid to the other state or any
155.3 subdivision thereof, or (2) the amount of tax imposed by Minnesota on the gross receipts
155.4 subject to tax in the other taxing state or any subdivision thereof.

155.5 Subd. 7. **Sourcing of sales.** Section 297A.668 applies to the taxes imposed by this
155.6 section.

155.7 Subd. 8. **Administration.** Unless specifically provided otherwise, the audit, assessment,
155.8 refund, penalty, interest, enforcement, collection remedies, appeal, and administrative
155.9 provisions of chapters 270C and 289A that are applicable to taxes imposed under chapter
155.10 297A, except the requirement to file returns and remit taxes due electronically if the
155.11 commissioner waives the requirement pursuant to section 289A.33, apply to the tax imposed
155.12 under this section.

155.13 Subd. 9. **Returns; payment of tax.** (a) A taxable cannabis product retailer must report
155.14 the tax on a return prescribed by the commissioner and must remit the tax in a form and
155.15 manner prescribed by the commissioner. The return and the tax must be filed and paid using
155.16 the filing cycle and due dates provided for taxes imposed under section 289A.20, subdivision
155.17 4, and chapter 297A.

155.18 (b) Interest must be paid on an overpayment refunded or credited to the taxpayer from
155.19 the date of payment of the tax until the date the refund is paid or credited. For purposes of
155.20 this subdivision, the date of payment is the due date of the return or the date of actual
155.21 payment of the tax, whichever is later.

155.22 Subd. 10. **Deposit of revenues; account established.** (a) The commissioner must deposit
155.23 the revenues, including penalties and interest, derived from the tax imposed by this section
155.24 as follows:

155.25 (1) 75 percent to the general fund; and

155.26 (2) 25 percent to the local government cannabis aid account in the special revenue fund.

155.27 (b) The local government cannabis aid account is established in the special revenue fund.

155.28 Subd. 11. **Personal debt.** The tax imposed by this section, and interest and penalties
155.29 imposed with respect to it, are a personal debt of the person required to file a return from
155.30 the time that the liability for it arises, irrespective of when the time for payment of the
155.31 liability occurs. The debt must, in the case of the executor or administrator of the estate of
155.32 a decedent and in the case of a fiduciary, be that of the person in the person's official or
155.33 fiduciary capacity only, unless the person has voluntarily distributed the assets held in that

156.1 capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which
156.2 event the person is personally liable for any deficiency.

156.3 **EFFECTIVE DATE.** This section is effective for gross receipts received after June 30,
156.4 2023.

156.5 Sec. 9. **[295.82] CANNABIS LOCAL TAX PROHIBITED.**

156.6 A political subdivision of this state is prohibited from imposing a tax under this section
156.7 solely on the sale of taxable cannabis products as defined under section 295.81, subdivision
156.8 1, paragraph (q).

156.9 **EFFECTIVE DATE.** This section is effective the day following final enactment.

156.10 Sec. 10. Minnesota Statutes 2022, section 297A.61, subdivision 3, is amended to read:

156.11 Subd. 3. **Sale and purchase.** (a) "Sale" and "purchase" include, but are not limited to,
156.12 each of the transactions listed in this subdivision. In applying the provisions of this chapter,
156.13 the terms "tangible personal property" and "retail sale" include the taxable services listed
156.14 in paragraph (g), clause (6), items (i) to (vi) and (viii), and the provision of these taxable
156.15 services, unless specifically provided otherwise. Services performed by an employee for
156.16 an employer are not taxable. Services performed by a partnership or association for another
156.17 partnership or association are not taxable if one of the entities owns or controls more than
156.18 80 percent of the voting power of the equity interest in the other entity. Services performed
156.19 between members of an affiliated group of corporations are not taxable. For purposes of
156.20 the preceding sentence, "affiliated group of corporations" means those entities that would
156.21 be classified as members of an affiliated group as defined under United States Code, title
156.22 26, section 1504, disregarding the exclusions in section 1504(b).

156.23 (b) Sale and purchase include:

156.24 (1) any transfer of title or possession, or both, of tangible personal property, whether
156.25 absolutely or conditionally, for a consideration in money or by exchange or barter; and

156.26 (2) the leasing of or the granting of a license to use or consume, for a consideration in
156.27 money or by exchange or barter, tangible personal property, other than a manufactured
156.28 home used for residential purposes for a continuous period of 30 days or more.

156.29 (c) Sale and purchase include the production, fabrication, printing, or processing of
156.30 tangible personal property for a consideration for consumers who furnish either directly or
156.31 indirectly the materials used in the production, fabrication, printing, or processing.

157.1 (d) Sale and purchase include the preparing for a consideration of food. Notwithstanding
157.2 section 297A.67, subdivision 2, taxable food includes, but is not limited to, the following:

157.3 (1) prepared food sold by the retailer;

157.4 (2) soft drinks;

157.5 (3) candy; and

157.6 (4) dietary supplements.

157.7 (e) A sale and a purchase includes the furnishing for a consideration of electricity, gas,
157.8 water, or steam for use or consumption within this state.

157.9 (f) A sale and a purchase includes the transfer for a consideration of prewritten computer
157.10 software whether delivered electronically, by load and leave, or otherwise.

157.11 (g) A sale and a purchase includes the furnishing for a consideration of the following
157.12 services:

157.13 (1) the privilege of admission to places of amusement, recreational areas, or athletic
157.14 events, and the making available of amusement devices, tanning facilities, reducing salons,
157.15 steam baths, health clubs, and spas or athletic facilities;

157.16 (2) lodging and related services by a hotel, rooming house, resort, campground, motel,
157.17 or trailer camp, including furnishing the guest of the facility with access to telecommunication
157.18 services, and the granting of any similar license to use real property in a specific facility,
157.19 other than the renting or leasing of it for a continuous period of 30 days or more under an
157.20 enforceable written agreement that may not be terminated without prior notice and including
157.21 accommodations intermediary services provided in connection with other services provided
157.22 under this clause;

157.23 (3) nonresidential parking services, whether on a contractual, hourly, or other periodic
157.24 basis, except for parking at a meter;

157.25 (4) the granting of membership in a club, association, or other organization if:

157.26 (i) the club, association, or other organization makes available for the use of its members
157.27 sports and athletic facilities, without regard to whether a separate charge is assessed for use
157.28 of the facilities; and

157.29 (ii) use of the sports and athletic facility is not made available to the general public on
157.30 the same basis as it is made available to members.

158.1 Granting of membership means both onetime initiation fees and periodic membership dues.
158.2 Sports and athletic facilities include golf courses; tennis, racquetball, handball, and squash
158.3 courts; basketball and volleyball facilities; running tracks; exercise equipment; swimming
158.4 pools; and other similar athletic or sports facilities;

158.5 (5) delivery of aggregate materials by a third party, excluding delivery of aggregate
158.6 material used in road construction; and delivery of concrete block by a third party if the
158.7 delivery would be subject to the sales tax if provided by the seller of the concrete block.
158.8 For purposes of this clause, "road construction" means construction of:

158.9 (i) public roads;

158.10 (ii) cartways; and

158.11 (iii) private roads in townships located outside of the seven-county metropolitan area
158.12 up to the point of the emergency response location sign; and

158.13 (6) services as provided in this clause:

158.14 (i) laundry and dry cleaning services including cleaning, pressing, repairing, altering,
158.15 and storing clothes, linen services and supply, cleaning and blocking hats, and carpet,
158.16 drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not
158.17 include services provided by coin operated facilities operated by the customer;

158.18 (ii) motor vehicle washing, waxing, and cleaning services, including services provided
158.19 by coin operated facilities operated by the customer, and rustproofing, undercoating, and
158.20 towing of motor vehicles;

158.21 (iii) building and residential cleaning, maintenance, and disinfecting services and pest
158.22 control and exterminating services;

158.23 (iv) detective, security, burglar, fire alarm, and armored car services; but not including
158.24 services performed within the jurisdiction they serve by off-duty licensed peace officers as
158.25 defined in section 626.84, subdivision 1, or services provided by a nonprofit organization
158.26 or any organization at the direction of a county for monitoring and electronic surveillance
158.27 of persons placed on in-home detention pursuant to court order or under the direction of the
158.28 Minnesota Department of Corrections;

158.29 (v) pet grooming services;

158.30 (vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting
158.31 and maintenance; tree, bush, and shrub pruning, bracing, spraying, and surgery; indoor plant
158.32 care; tree, bush, shrub, and stump removal, except when performed as part of a land clearing

159.1 contract as defined in section 297A.68, subdivision 40; and tree trimming for public utility
159.2 lines. Services performed under a construction contract for the installation of shrubbery,
159.3 plants, sod, trees, bushes, and similar items are not taxable;

159.4 (vii) massages, except when provided by a licensed health care facility or professional
159.5 or upon written referral from a licensed health care facility or professional for treatment of
159.6 illness, injury, or disease; and

159.7 (viii) the furnishing of lodging, board, and care services for animals in kennels and other
159.8 similar arrangements, but excluding veterinary and horse boarding services.

159.9 (h) A sale and a purchase includes the furnishing for a consideration of tangible personal
159.10 property or taxable services by the United States or any of its agencies or instrumentalities,
159.11 or the state of Minnesota, its agencies, instrumentalities, or political subdivisions.

159.12 (i) A sale and a purchase includes the furnishing for a consideration of
159.13 telecommunications services, ancillary services associated with telecommunication services,
159.14 and pay television services. Telecommunication services include, but are not limited to, the
159.15 following services, as defined in section 297A.669: air-to-ground radiotelephone service,
159.16 mobile telecommunication service, postpaid calling service, prepaid calling service, prepaid
159.17 wireless calling service, and private communication services. The services in this paragraph
159.18 are taxed to the extent allowed under federal law.

159.19 (j) A sale and a purchase includes the furnishing for a consideration of installation if the
159.20 installation charges would be subject to the sales tax if the installation were provided by
159.21 the seller of the item being installed.

159.22 (k) A sale and a purchase includes the rental of a vehicle by a motor vehicle dealer to a
159.23 customer when (1) the vehicle is rented by the customer for a consideration, or (2) the motor
159.24 vehicle dealer is reimbursed pursuant to a service contract as defined in section 59B.02,
159.25 subdivision 11.

159.26 (l) A sale and a purchase includes furnishing for a consideration of specified digital
159.27 products or other digital products or granting the right for a consideration to use specified
159.28 digital products or other digital products on a temporary or permanent basis and regardless
159.29 of whether the purchaser is required to make continued payments for such right. Wherever
159.30 the term "tangible personal property" is used in this chapter, other than in subdivisions 10
159.31 and 38, the provisions also apply to specified digital products, or other digital products,
159.32 unless specifically provided otherwise or the context indicates otherwise.

(m) The sale of the privilege of admission under section 297A.61, subdivision 3, paragraph (g), clause (1), to a place of amusement, recreational area, or athletic event includes all charges included in the privilege of admission's sales price, without deduction for amenities that may be provided, unless the amenities are separately stated and the purchaser of the privilege of admission is entitled to add or decline the amenities, and the amenities are not otherwise taxable.

(n) A sale and purchase includes the transfer for consideration of a taxable cannabis product as defined in section 295.81, subdivision 1, paragraph (q).

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2023.

Sec. 11. Minnesota Statutes 2022, section 297A.67, subdivision 2, is amended to read:

Subd. 2. **Food and food ingredients.** Except as otherwise provided in this subdivision, food and food ingredients are exempt. For purposes of this subdivision, "food" and "food ingredients" mean substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. Food and food ingredients exempt under this subdivision do not include candy, soft drinks, dietary supplements, and prepared foods. Food and food ingredients do not include alcoholic beverages ~~and~~₂ tobacco, taxable cannabis products, medical cannabis flower, and medical cannabinoid products. For purposes of this subdivision, "alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume. For purposes of this subdivision, "tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco. For purposes of this subdivision, "taxable cannabis product" has the meaning given in section 295.81, subdivision 1, paragraph (q), "medical cannabis flower" has the meaning given in section 342.01, subdivision 53, and "medical cannabinoid product" has the meaning given in section 342.01, subdivision 51. For purposes of this subdivision, "dietary supplements" means any product, other than tobacco, intended to supplement the diet that:

(1) contains one or more of the following dietary ingredients:

(i) a vitamin;

(ii) a mineral;

(iii) an herb or other botanical;

(iv) an amino acid;

161.1 (v) a dietary substance for use by humans to supplement the diet by increasing the total
161.2 dietary intake; and

161.3 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
161.4 described in items (i) to (v);

161.5 (2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form,
161.6 or if not intended for ingestion in such form, is not represented as conventional food and is
161.7 not represented for use as a sole item of a meal or of the diet; and

161.8 (3) is required to be labeled as a dietary supplement, identifiable by the supplement facts
161.9 box found on the label and as required pursuant to Code of Federal Regulations, title 21,
161.10 section 101.36.

161.11 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
161.12 30, 2023.

161.13 Sec. 12. Minnesota Statutes 2022, section 297A.67, subdivision 7, is amended to read:

161.14 Subd. 7. **Drugs; medical devices.** (a) Sales of the following drugs and medical devices
161.15 for human use are exempt:

161.16 (1) drugs, including over-the-counter drugs;

161.17 (2) single-use finger-pricking devices for the extraction of blood and other single-use
161.18 devices and single-use diagnostic agents used in diagnosing, monitoring, or treating diabetes;

161.19 (3) insulin and medical oxygen for human use, regardless of whether prescribed or sold
161.20 over the counter;

161.21 (4) prosthetic devices;

161.22 (5) durable medical equipment for home use only;

161.23 (6) mobility enhancing equipment;

161.24 (7) prescription corrective eyeglasses; and

161.25 (8) kidney dialysis equipment, including repair and replacement parts.

161.26 (b) Items purchased in transactions covered by:

161.27 (1) Medicare as defined under title XVIII of the Social Security Act, United States Code,
161.28 title 42, section 1395, et seq.; or

161.29 (2) Medicaid as defined under title XIX of the Social Security Act, United States Code,
161.30 title 42, section 1396, et seq.

162.1 (c) For purposes of this subdivision:

162.2 (1) "Drug" means a compound, substance, or preparation, and any component of a
162.3 compound, substance, or preparation, other than food and food ingredients, dietary
162.4 supplements, taxable cannabis products as defined under section 295.81, subdivision 1,
162.5 paragraph (q), or alcoholic beverages that is:

162.6 (i) recognized in the official United States Pharmacopoeia, official Homeopathic
162.7 Pharmacopoeia of the United States, or official National Formulary, and supplement to any
162.8 of them;

162.9 (ii) intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease;
162.10 or

162.11 (iii) intended to affect the structure or any function of the body.

162.12 (2) "Durable medical equipment" means equipment, including repair and replacement
162.13 parts, including single-patient use items, but not including mobility enhancing equipment,
162.14 that:

162.15 (i) can withstand repeated use;

162.16 (ii) is primarily and customarily used to serve a medical purpose;

162.17 (iii) generally is not useful to a person in the absence of illness or injury; and

162.18 (iv) is not worn in or on the body.

162.19 For purposes of this clause, "repair and replacement parts" includes all components or
162.20 attachments used in conjunction with the durable medical equipment, including repair and
162.21 replacement parts which are for single patient use only.

162.22 (3) "Mobility enhancing equipment" means equipment, including repair and replacement
162.23 parts, but not including durable medical equipment, that:

162.24 (i) is primarily and customarily used to provide or increase the ability to move from one
162.25 place to another and that is appropriate for use either in a home or a motor vehicle;

162.26 (ii) is not generally used by persons with normal mobility; and

162.27 (iii) does not include any motor vehicle or equipment on a motor vehicle normally
162.28 provided by a motor vehicle manufacturer.

162.29 (4) "Over-the-counter drug" means a drug that contains a label that identifies the product
162.30 as a drug as required by Code of Federal Regulations, title 21, section 201.66. The label
162.31 must include a "drug facts" panel or a statement of the active ingredients with a list of those

163.1 ingredients contained in the compound, substance, or preparation. Over-the-counter drugs
163.2 do not include grooming and hygiene products, regardless of whether they otherwise meet
163.3 the definition. "Grooming and hygiene products" are soaps, cleaning solutions, shampoo,
163.4 toothpaste, mouthwash, antiperspirants, and suntan lotions and sunscreens.

163.5 (5) "Prescribed" and "prescription" means a direction in the form of an order, formula,
163.6 or recipe issued in any form of oral, written, electronic, or other means of transmission by
163.7 a duly licensed health care professional.

163.8 (6) "Prosthetic device" means a replacement, corrective, or supportive device, including
163.9 repair and replacement parts, worn on or in the body to:

163.10 (i) artificially replace a missing portion of the body;

163.11 (ii) prevent or correct physical deformity or malfunction; or

163.12 (iii) support a weak or deformed portion of the body.

163.13 Prosthetic device does not include corrective eyeglasses.

163.14 (7) "Kidney dialysis equipment" means equipment that:

163.15 (i) is used to remove waste products that build up in the blood when the kidneys are not
163.16 able to do so on their own; and

163.17 (ii) can withstand repeated use, including multiple use by a single patient, notwithstanding
163.18 the provisions of clause (2).

163.19 (8) A transaction is covered by Medicare or Medicaid if any portion of the cost of the
163.20 item purchased in the transaction is paid for or reimbursed by the federal government or
163.21 the state of Minnesota pursuant to the Medicare or Medicaid program, by a private insurance
163.22 company administering the Medicare or Medicaid program on behalf of the federal
163.23 government or the state of Minnesota, or by a managed care organization for the benefit of
163.24 a patient enrolled in a prepaid program that furnishes medical services in lieu of conventional
163.25 Medicare or Medicaid coverage pursuant to agreement with the federal government or the
163.26 state of Minnesota.

163.27 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
163.28 30, 2023.

164.1 Sec. 13. Minnesota Statutes 2022, section 297A.70, subdivision 2, is amended to read:

164.2 Subd. 2. **Sales to government.** (a) All sales, except those listed in paragraph (b), to the
164.3 following governments and political subdivisions, or to the listed agencies or instrumentalities
164.4 of governments and political subdivisions, are exempt:

164.5 (1) the United States and its agencies and instrumentalities;

164.6 (2) school districts, local governments, the University of Minnesota, state universities,
164.7 community colleges, technical colleges, state academies, the Perpich Minnesota Center for
164.8 Arts Education, and an instrumentality of a political subdivision that is accredited as an
164.9 optional/special function school by the North Central Association of Colleges and Schools;

164.10 (3) hospitals and nursing homes owned and operated by political subdivisions of the
164.11 state of tangible personal property and taxable services used at or by hospitals and nursing
164.12 homes;

164.13 (4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council
164.14 of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt
164.15 through December 31, 2016;

164.16 (5) other states or political subdivisions of other states, if the sale would be exempt from
164.17 taxation if it occurred in that state; and

164.18 (6) public libraries, public library systems, multicounty, multitype library systems as
164.19 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,
164.20 the state library under section 480.09, and the Legislative Reference Library.

164.21 (b) This exemption does not apply to the sales of the following products and services:

164.22 (1) building, construction, or reconstruction materials purchased by a contractor or a
164.23 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed
164.24 maximum price covering both labor and materials for use in the construction, alteration, or
164.25 repair of a building or facility;

164.26 (2) construction materials purchased by tax exempt entities or their contractors to be
164.27 used in constructing buildings or facilities which will not be used principally by the tax
164.28 exempt entities;

164.29 (3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except
164.30 for leases entered into by the United States or its agencies or instrumentalities;

164.31 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
164.32 ~~and~~ prepared food, candy, soft drinks, ~~and~~ alcoholic beverages as defined in section 297A.67,

165.1 subdivision 2, and taxable cannabis products as defined under section 295.81, subdivision
165.2 1, paragraph (q), except for lodging, prepared food, candy, soft drinks, ~~and~~ alcoholic
165.3 beverages, and taxable cannabis products purchased directly by the United States or its
165.4 agencies or instrumentalities; or

165.5 (5) goods or services purchased by a local government as inputs to a liquor store, gas
165.6 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf
165.7 course, marina, campground, cafe, or laundromat.

165.8 (c) As used in this subdivision, "school districts" means public school entities and districts
165.9 of every kind and nature organized under the laws of the state of Minnesota, and any
165.10 instrumentality of a school district, as defined in section 471.59.

165.11 (d) For purposes of the exemption granted under this subdivision, "local governments"
165.12 has the following meaning:

165.13 (1) for the period prior to January 1, 2017, local governments means statutory or home
165.14 rule charter cities, counties, and townships; and

165.15 (2) beginning January 1, 2017, local governments means statutory or home rule charter
165.16 cities, counties, and townships; special districts as defined under section 6.465; any
165.17 instrumentality of a statutory or home rule charter city, county, or township as defined in
165.18 section 471.59; and any joint powers board or organization created under section 471.59.

165.19 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
165.20 30, 2023.

165.21 Sec. 14. Minnesota Statutes 2022, section 297A.70, subdivision 4, is amended to read:

165.22 Subd. 4. **Sales to nonprofit groups.** (a) All sales, except those listed in paragraph (b),
165.23 to the following "nonprofit organizations" are exempt:

165.24 (1) a corporation, society, association, foundation, or institution organized and operated
165.25 exclusively for charitable, religious, or educational purposes if the item purchased is used
165.26 in the performance of charitable, religious, or educational functions;

165.27 (2) any senior citizen group or association of groups that:

165.28 (i) in general limits membership to persons who are either age 55 or older, or persons
165.29 with a physical disability;

165.30 (ii) is organized and operated exclusively for pleasure, recreation, and other nonprofit
165.31 purposes, not including housing, no part of the net earnings of which inures to the benefit
165.32 of any private shareholders; and

(iii) is an exempt organization under section 501(c) of the Internal Revenue Code; and

(3) an organization that qualifies for an exemption for memberships under subdivision 12 if the item is purchased and used in the performance of the organization's mission.

For purposes of this subdivision, charitable purpose includes the maintenance of a cemetery owned by a religious organization.

(b) This exemption does not apply to the following sales:

(1) building, construction, or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration, or repair of a building or facility;

(2) construction materials purchased by tax-exempt entities or their contractors to be used in constructing buildings or facilities that will not be used principally by the tax-exempt entities;

(3) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2), ~~and prepared food, candy, soft drinks,~~ taxable cannabis product as defined under section 295.81, subdivision 1, paragraph (q), and alcoholic beverages as defined in section 297A.67, subdivision 2, except wine purchased by an established religious organization for sacramental purposes or as allowed under subdivision 9a; and

(4) leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except as provided in paragraph (c).

(c) This exemption applies to the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, only if the vehicle is:

(1) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a passenger automobile, as defined in section 168.002, if the automobile is designed and used for carrying more than nine persons including the driver; and

(2) intended to be used primarily to transport tangible personal property or individuals, other than employees, to whom the organization provides service in performing its charitable, religious, or educational purpose.

(d) A limited liability company also qualifies for exemption under this subdivision if (1) it consists of a sole member that would qualify for the exemption, and (2) the items purchased qualify for the exemption.

167.1 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
167.2 30, 2023.

167.3 Sec. 15. Minnesota Statutes 2022, section 297A.70, subdivision 18, is amended to read:

167.4 Subd. 18. **Nursing homes and boarding care homes.** (a) All sales, except those listed
167.5 in paragraph (b), to a nursing home licensed under section 144A.02 or a boarding care home
167.6 certified as a nursing facility under title 19 of the Social Security Act are exempt if the
167.7 facility:

167.8 (1) is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal
167.9 Revenue Code; and

167.10 (2) is certified to participate in the medical assistance program under title 19 of the Social
167.11 Security Act, or certifies to the commissioner that it does not discharge residents due to the
167.12 inability to pay.

167.13 (b) This exemption does not apply to the following sales:

167.14 (1) building, construction, or reconstruction materials purchased by a contractor or a
167.15 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed
167.16 maximum price covering both labor and materials for use in the construction, alteration, or
167.17 repair of a building or facility;

167.18 (2) construction materials purchased by tax-exempt entities or their contractors to be
167.19 used in constructing buildings or facilities that will not be used principally by the tax-exempt
167.20 entities;

167.21 (3) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
167.22 ~~and~~ prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,
167.23 subdivision 2, and taxable cannabis products as defined under section 295.81, subdivision
167.24 1, paragraph (q); and

167.25 (4) leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except as
167.26 provided in paragraph (c).

167.27 (c) This exemption applies to the leasing of a motor vehicle as defined in section 297B.01,
167.28 subdivision 11, only if the vehicle is:

167.29 (1) a truck, as defined in section 168.002; a bus, as defined in section 168.002; or a
167.30 passenger automobile, as defined in section 168.002, if the automobile is designed and used
167.31 for carrying more than nine persons including the driver; and

(2) intended to be used primarily to transport tangible personal property or residents of the nursing home or boarding care home.

EFFECTIVE DATE. This section is effective for sales and purchases made after June 30, 2023.

Sec. 16. Minnesota Statutes 2022, section 297A.85, is amended to read:

297A.85 CANCELLATION OF PERMITS.

The commissioner may cancel a permit if one of the following conditions occurs:

(1) the permit holder has not filed a sales or use tax return for at least one year;

(2) the permit holder has not reported any sales or use tax liability on the permit holder's returns for at least two years;

(3) the permit holder requests cancellation of the permit;

(4) the permit is subject to cancellation under section 270C.722, subdivision 2, paragraph (a); ~~or~~

(5) the permit is subject to cancellation under section 297A.84; or

(6) the permit holder is a taxable cannabis product retailer as defined in section 295.81, subdivision 1, paragraph (r), other than a lower-potency hemp edible retailer as licensed under section 342.43, subdivision 1, and its license to sell a taxable cannabis product as defined in section 295.81, subdivision 1, paragraph (q), has been revoked by the Office of Cannabis Management.

EFFECTIVE DATE. This section is effective June 30, 2023.

Sec. 17. Minnesota Statutes 2022, section 297D.01, is amended to read:

297D.01 DEFINITIONS.

Subdivision 1. ~~**Marijuana**~~ **Illegal cannabis.** ~~"Marijuana"~~ "Illegal cannabis" means any ~~marijuana~~ taxable cannabis product as defined in section 295.81, subdivision 1, paragraph (q), whether real or counterfeit, as defined in section 152.01, subdivision 9, that is held, possessed, transported, transferred, sold, or offered to be sold in violation of chapter 342 or Minnesota criminal laws.

Subd. 2. **Controlled substance.** "Controlled substance" means any drug or substance, whether real or counterfeit, as defined in section 152.01, subdivision 4, that is held, possessed,

169.1 transported, transferred, sold, or offered to be sold in violation of Minnesota laws. "Controlled
169.2 substance" does not include ~~marijuana~~ illegal cannabis.

169.3 Subd. 3. **Tax obligor or obligor.** "Tax obligor" or "obligor" means a person who in
169.4 violation of Minnesota law manufactures, produces, ships, transports, or imports into
169.5 Minnesota or in any manner acquires or possesses more than 42-1/2 grams of ~~marijuana~~
169.6 illegal cannabis, or seven or more grams of any controlled substance, or ten or more dosage
169.7 units of any controlled substance which is not sold by weight. A quantity of ~~marijuana~~ illegal
169.8 cannabis or other controlled substance is measured by the weight of the substance whether
169.9 pure or impure or dilute, or by dosage units when the substance is not sold by weight, in
169.10 the tax obligor's possession. A quantity of a controlled substance is dilute if it consists of a
169.11 detectable quantity of pure controlled substance and any excipients or fillers.

169.12 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of revenue.

169.13 **EFFECTIVE DATE.** This section is effective June 30, 2023.

169.14 Sec. 18. Minnesota Statutes 2022, section 297D.04, is amended to read:

169.15 **297D.04 TAX PAYMENT REQUIRED FOR POSSESSION.**

169.16 No tax obligor may possess any ~~marijuana~~ illegal cannabis or controlled substance upon
169.17 which a tax is imposed by section 297D.08 unless the tax has been paid on the ~~marijuana~~
169.18 illegal cannabis or ~~other~~ a controlled substance as evidenced by a stamp or other official
169.19 indicia.

169.20 **EFFECTIVE DATE.** This section is effective June 30, 2023.

169.21 Sec. 19. Minnesota Statutes 2022, section 297D.06, is amended to read:

169.22 **297D.06 PHARMACEUTICALS.**

169.23 Nothing in this chapter requires persons registered under chapter 151 or otherwise
169.24 lawfully in possession of ~~marijuana~~ illegal cannabis or a controlled substance to pay the tax
169.25 required under this chapter.

169.26 **EFFECTIVE DATE.** This section is effective June 30, 2023.

169.27 Sec. 20. Minnesota Statutes 2022, section 297D.07, is amended to read:

169.28 **297D.07 MEASUREMENT.**

169.29 For the purpose of calculating the tax under section 297D.08, a quantity of ~~marijuana~~
169.30 illegal cannabis or ~~other~~ a controlled substance is measured by the weight of the substance

whether pure or impure or dilute, or by dosage units when the substance is not sold by weight, in the tax obligor's possession. A quantity of a controlled substance is dilute if it consists of a detectable quantity of pure controlled substance and any excipients or fillers.

EFFECTIVE DATE. This section is effective June 30, 2023.

Sec. 21. Minnesota Statutes 2022, section 297D.08, is amended to read:

297D.08 TAX RATE.

A tax is imposed on ~~marijuana~~ illegal cannabis and controlled substances as defined in section 297D.01 at the following rates:

(1) on each gram of ~~marijuana~~ illegal cannabis, or each portion of a gram, \$3.50; and

(2) on each gram of controlled substance, or portion of a gram, \$200; or

(3) on each ten dosage units of a controlled substance that is not sold by weight, or portion thereof, \$400.

EFFECTIVE DATE. This section is effective June 30, 2023.

Sec. 22. Minnesota Statutes 2022, section 297D.085, is amended to read:

297D.085 CREDIT FOR PREVIOUSLY PAID TAXES.

If another state or local unit of government has previously assessed an excise tax on the ~~marijuana~~ illegal cannabis or controlled substances, the taxpayer must pay the difference between the tax due under section 297D.08 and the tax previously paid. If the tax previously paid to the other state or local unit of government was equal to or greater than the tax due under section 297D.08, no tax is due. The burden is on the taxpayer to show that an excise tax on the ~~marijuana~~ illegal cannabis or controlled substances has been paid to another state or local unit of government.

EFFECTIVE DATE. This section is effective June 30, 2023.

Sec. 23. Minnesota Statutes 2022, section 297D.09, subdivision 1a, is amended to read:

Subd. 1a. **Criminal penalty; sale without affixed stamps.** In addition to the tax penalty imposed, a tax obligor distributing or possessing ~~marijuana~~ illegal cannabis or controlled substances without affixing the appropriate stamps, labels, or other indicia is guilty of a crime and, upon conviction, may be sentenced to imprisonment for not more than seven years or to payment of a fine of not more than \$14,000, or both.

EFFECTIVE DATE. This section is effective June 30, 2023.

171.1 Sec. 24. Minnesota Statutes 2022, section 297D.10, is amended to read:

171.2 **297D.10 STAMP PRICE.**

171.3 Official stamps, labels, or other indicia to be affixed to all ~~marijuana~~ illegal cannabis or
171.4 controlled substances shall be purchased from the commissioner. The purchaser shall pay
171.5 100 percent of face value for each stamp, label, or other indicia at the time of the purchase.

171.6 **EFFECTIVE DATE.** This section is effective June 30, 2023.

171.7 Sec. 25. Minnesota Statutes 2022, section 297D.11, is amended to read:

171.8 **297D.11 PAYMENT DUE.**

171.9 Subdivision 1. **Stamps affixed.** When a tax obligor purchases, acquires, transports, or
171.10 imports into this state ~~marijuana~~ illegal cannabis or controlled substances on which a tax is
171.11 imposed by section 297D.08, and if the indicia evidencing the payment of the tax have not
171.12 already been affixed, the tax obligor shall have them permanently affixed on the ~~marijuana~~
171.13 illegal cannabis or controlled substance immediately after receiving the substance. Each
171.14 stamp or other official indicia may be used only once.

171.15 Subd. 2. **Payable on possession.** Taxes imposed upon ~~marijuana~~ illegal cannabis or
171.16 controlled substances by this chapter are due and payable immediately upon acquisition or
171.17 possession in this state by a tax obligor.

171.18 **EFFECTIVE DATE.** This section is effective June 30, 2023.

171.19 Sec. 26. **[477A.31] LOCAL GOVERNMENT CANNABIS AID.**

171.20 Subdivision 1. **Certification to commissioner of revenue.** (a) By July 15, 2024, and
171.21 annually thereafter, the commissioner of management and budget must certify to the
171.22 commissioner of revenue the balance of the local government cannabis aid account in the
171.23 special revenue fund at the close of the previous fiscal year.

171.24 (b) By June 1, 2024, and annually thereafter, the director of the office of cannabis
171.25 management under section 342.02 must certify to the commissioner of revenue the number
171.26 of cannabis businesses, as defined under section 342.01, subdivision 13, licensed under
171.27 chapter 342 as of the previous January 1, disaggregated by county and city.

171.28 Subd. 2. **Aid to counties.** (a) Beginning for aid payable in 2024, the amount available
171.29 for aid to counties under this subdivision equals 50 percent of the amount certified in that
171.30 year to the commissioner under subdivision 1, paragraph (a).

(b) Twenty percent of the amount under paragraph (a) must be distributed equally among all counties.

(c) Eighty percent of the amount under paragraph (a) must be distributed proportionally to each county according to the number of cannabis businesses located in the county as compared to the number of cannabis businesses in all counties as of the most recent certification under subdivision 1, paragraph (b).

Subd. 3. **Aid to cities.** (a) Beginning for aid payable in 2024, the amount available for aid to cities under this subdivision equals 50 percent of the amount certified in that year to the commissioner under subdivision 1, paragraph (a).

(b) The amount under paragraph (a) must be distributed proportionally to each city according to the number of cannabis businesses located in the city as compared to the number of cannabis businesses in all cities as of the most recent certification under subdivision 1, paragraph (b).

Subd. 4. **Payment.** The commissioner of revenue must compute the amount of aid payable to each county and city under this section. On or before August 1 of each year, the commissioner must certify the amount to be paid to each county and city in that year. The commissioner must pay the full amount of the aid on December 26 annually.

Subd. 5. **Appropriation.** Beginning in fiscal year 2025 and annually thereafter, the amount in the local government cannabis aid account in the special revenue fund is annually appropriated to the commissioner of revenue to make the aid payments required under this section.

EFFECTIVE DATE. This section is effective July 1, 2023.

ARTICLE 3

BUSINESS DEVELOPMENT

Section 1. **[116J.659] CANNABIS INDUSTRY STARTUP FINANCING GRANTS.**

Subdivision 1. **Establishment.** The commissioner of employment and economic development shall establish CanStartup, a program to award grants to nonprofit corporations to fund loans to new businesses in the legal cannabis industry and to support job creation in communities where long-term residents are eligible to be social equity applicants.

Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the meanings given.

(b) "Commissioner" means the commissioner of employment and economic development.

173.1 (c) "Industry" means the legal cannabis industry in the state of Minnesota.

173.2 (d) "New business" means a legal cannabis business that has been in existence for three
173.3 years or less.

173.4 (e) "Program" means the CanStartup grant program.

173.5 (f) "Social equity applicant" means a person who meets the qualification requirements
173.6 in section 342.15.

173.7 Subd. 3. **Grants.** (a) The commissioner shall establish a revolving loan account to make
173.8 grants under the CanStartup program.

173.9 (b) The commissioner must award grants to nonprofit corporations through a competitive
173.10 grant process.

173.11 (c) To receive grant money, a nonprofit corporation must submit a written application
173.12 to the commissioner using a form developed by the commissioner.

173.13 (d) In awarding grants under this subdivision, the commissioner shall give weight to
173.14 whether the nonprofit corporation:

173.15 (1) has a board of directors that includes citizens experienced in business and community
173.16 development, new business enterprises, and creating jobs for people facing barriers to
173.17 education or employment;

173.18 (2) has the technical skills to analyze projects;

173.19 (3) is familiar with other available public and private funding sources and economic
173.20 development programs;

173.21 (4) can initiate and implement economic development projects;

173.22 (5) can establish and administer a revolving loan account;

173.23 (6) can work with job referral networks that assist people facing barriers to education
173.24 or employment; and

173.25 (7) has established relationships with communities where long-term residents are eligible
173.26 to be social equity applicants.

173.27 The commissioner shall make grants that will assist a broad range of businesses in the legal
173.28 cannabis industry, including the processing and retail sectors.

173.29 (e) A nonprofit corporation that receives a grant under the program must:

174.1 (1) establish a commissioner-certified revolving loan account for the purpose of making
174.2 eligible loans; and

174.3 (2) enter into an agreement with the commissioner that the commissioner shall fund
174.4 loans that the nonprofit corporation makes to new businesses in the legal cannabis industry.
174.5 The commissioner shall review existing agreements with nonprofit corporations every five
174.6 years and may renew or terminate an agreement based on that review. In making this review,
174.7 the commissioner shall consider, among other criteria, the criteria in paragraph (d).

174.8 Subd. 4. **Loans to businesses.** (a) The criteria in this subdivision apply to loans made
174.9 by nonprofit corporations under the program.

174.10 (b) Loans must be used to support a new business in the legal cannabis industry. Priority
174.11 must be given to loans to businesses owned by individuals who are eligible to be social
174.12 equity applicants and businesses located in communities where long-term residents are
174.13 eligible to be social equity applicants.

174.14 (c) Loans must be made to businesses that are not likely to undertake the project for
174.15 which loans are sought without assistance from the program.

174.16 (d) The minimum state contribution to a loan is \$2,500 and the maximum is either:

174.17 (1) \$50,000; or

174.18 (2) \$150,000, if state contributions are matched by an equal or greater amount of new
174.19 private investment.

174.20 (e) Loan applications given preliminary approval by the nonprofit corporation must be
174.21 forwarded to the commissioner for approval. The commissioner must give final approval
174.22 for each loan made by the nonprofit corporation under the program.

174.23 (f) A business that receives a loan may apply to renew the loan. Renewal applications
174.24 must be made on an annual basis and a business may receive loans for up to six consecutive
174.25 years. A nonprofit corporation may renew a loan to a business that is no longer a new
174.26 business provided the business would otherwise qualify for an initial loan and is in good
174.27 standing with the nonprofit corporation and the commissioner. A nonprofit corporation may
174.28 adjust the amount of a renewed loan, or not renew a loan, if the nonprofit corporation
174.29 determines that the business is financially stable and is substantially likely to continue the
174.30 project for which the loan renewal is sought.

174.31 (g) If a borrower has met lender criteria, including being current with all payments for
174.32 a minimum of three years, the commissioner may approve either full or partial forgiveness
174.33 of interest or principal amounts.

175.1 Subd. 5. **Revolving loan account administration.** (a) The commissioner shall establish
175.2 a minimum interest rate for loans or guarantees to ensure that necessary loan administration
175.3 costs are covered. The interest rate charged by a nonprofit corporation for a loan under this
175.4 section must not exceed the Wall Street Journal prime rate. For a loan under this section,
175.5 the nonprofit corporation may charge a loan origination fee equal to or less than one percent
175.6 of the loan value. The nonprofit corporation may retain the amount of the origination fee.

175.7 (b) Loan repayment of principal must be paid to the commissioner for deposit in the
175.8 revolving loan account. Loan interest payments must be deposited in a revolving loan
175.9 account created by the nonprofit corporation originating the loan being repaid for further
175.10 distribution or use, consistent with the criteria of this section.

175.11 (c) Administrative expenses of the nonprofit corporations with whom the commissioner
175.12 enters into agreements, including expenses incurred by a nonprofit corporation in providing
175.13 financial, technical, managerial, and marketing assistance to a business receiving a loan
175.14 under this section, are eligible program expenses the commissioner may agree to pay under
175.15 the grant agreement.

175.16 Subd. 6. **Program outreach.** The commissioner shall make extensive efforts to publicize
175.17 this program, including through partnerships with community organizations, particularly
175.18 those organizations located in areas where long-term residents are eligible to be social equity
175.19 applicants.

175.20 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation that receives a grant
175.21 shall:

175.22 (1) submit an annual report to the commissioner by February 1 of each year that the
175.23 nonprofit corporation participates in the program that includes a description of businesses
175.24 supported by the grant program, an account of loans made during the calendar year, the
175.25 program's impact on business creation and job creation, particularly in communities where
175.26 long-term residents are eligible to be social equity applicants, the source and amount of
175.27 money collected and distributed by the program, the program's assets and liabilities, and an
175.28 explanation of administrative expenses; and

175.29 (2) provide for an independent annual audit to be performed in accordance with generally
175.30 accepted accounting practices and auditing standards and submit a copy of each annual
175.31 audit report to the commissioner.

175.32 (b) By March 1, 2024, and each March 1 thereafter, the commissioner must submit a
175.33 report to the chairs and ranking minority members of the committees of the house of
175.34 representatives and the senate having jurisdiction over economic development that details

176.1 awards given through the CanStartup program and the use of grant money, including any
176.2 measures of success toward financing new businesses in the legal cannabis industry and
176.3 creating jobs in communities where long-term residents are eligible to be social equity
176.4 applicants.

176.5 Sec. 2. **[116J.6595] CANNABIS INDUSTRY NAVIGATION GRANTS.**

176.6 Subdivision 1. **Establishment.** The commissioner of employment and economic
176.7 development shall establish CanNavigate, a program to award grants to eligible organizations
176.8 to help individuals navigate the regulatory structure of the legal cannabis industry.

176.9 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
176.10 meanings given.

176.11 (b) "Commissioner" means the commissioner of employment and economic development.

176.12 (c) "Eligible organization" means any organization capable of helping individuals navigate
176.13 the regulatory structure of the legal cannabis industry, particularly individuals facing barriers
176.14 to education or employment, and may include educational institutions, nonprofit
176.15 organizations, private businesses, community groups, units of local government, or
176.16 partnerships between different types of organizations.

176.17 (d) "Industry" means the legal cannabis industry in the state of Minnesota.

176.18 (e) "Program" means the CanNavigate grant program.

176.19 (f) "Social equity applicant" means a person who meets the qualification requirements
176.20 in section 342.15.

176.21 Subd. 3. **Grants to organizations.** (a) Grant money awarded to eligible organizations
176.22 may be used for both developing technical assistance resources relevant to the regulatory
176.23 structure of the legal cannabis industry and for providing technical assistance or navigation
176.24 services to individuals.

176.25 (b) The commissioner must award grants to eligible organizations through a competitive
176.26 grant process.

176.27 (c) To receive grant money, an eligible organization must submit a written application
176.28 to the commissioner, using a form developed by the commissioner, explaining the
176.29 organization's ability to assist individuals in navigating the regulatory structure of the legal
176.30 cannabis industry, particularly individuals facing barriers to education or employment.

176.31 (d) An eligible organization's grant application must also include:

(1) a description of the proposed technical assistance or navigation services, including the types of individuals targeted for assistance;

(2) any evidence of the organization's past success in providing technical assistance or navigation services to individuals, particularly individuals who live in areas where long-term residents are eligible to be social equity applicants;

(3) an estimate of the cost of providing the technical assistance;

(4) the sources and amounts of any nonstate money or in-kind contributions that will supplement grant money, including any amounts that individuals will be charged to receive assistance; and

(5) any additional information requested by the commissioner.

(e) In awarding grants under this subdivision, the commissioner shall give weight to applications from organizations that demonstrate a history of successful technical assistance or navigation services, particularly for individuals facing barriers to education or employment. The commissioner shall also give weight to applications where the proposed technical assistance will serve areas where long-term residents are eligible to be social equity applicants. To the extent practicable, the commissioner shall fund technical assistance for a variety of sectors in the legal cannabis industry, including both processing and retail sectors.

Subd. 4. **Program outreach.** The commissioner shall make extensive efforts to publicize these grants, including through partnerships with community organizations, particularly those organizations located in areas where long-term residents are eligible to be social equity applicants.

Subd. 5. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter, the commissioner must submit a report to the chairs and ranking minority members of the committees of the house of representatives and the senate having jurisdiction over economic development that details awards given through the CanNavigate program and the use of grant money, including any measures of success toward helping individuals navigate the regulatory structure of the legal cannabis industry.

Sec. 3. [116L.90] CANNABIS INDUSTRY TRAINING GRANTS.

Subdivision 1. **Establishment.** The commissioner of employment and economic development shall establish CanTrain, a program to award grants to (1) eligible organizations to train people for work in the legal cannabis industry, and (2) eligible individuals to acquire such training.

178.1 Subd. 2. Definitions. (a) For the purposes of this section, the following terms have the
178.2 meanings given.

178.3 (b) "Commissioner" means the commissioner of employment and economic development.

178.4 (c) "Eligible organization" means any organization capable of providing training relevant
178.5 to the legal cannabis industry, particularly for individuals facing barriers to education or
178.6 employment, and may include educational institutions, nonprofit organizations, private
178.7 businesses, community groups, units of local government, or partnerships between different
178.8 types of organizations.

178.9 (d) "Eligible individual" means a Minnesota resident who is 21 years old or older.

178.10 (e) "Industry" means the legal cannabis industry in Minnesota.

178.11 (f) "Program" means the CanTrain grant program.

178.12 (g) "Social equity applicant" means a person who meets the qualification requirements
178.13 in section 342.15.

178.14 Subd. 3. Grants to organizations. (a) Grant money awarded to eligible organizations
178.15 may be used for both developing a training program relevant to the legal cannabis industry
178.16 and for providing such training to individuals.

178.17 (b) The commissioner must award grants to eligible organizations through a competitive
178.18 grant process.

178.19 (c) To receive grant money, an eligible organization must submit a written application
178.20 to the commissioner, using a form developed by the commissioner, explaining the
178.21 organization's ability to train individuals for successful careers in the legal cannabis industry,
178.22 particularly individuals facing barriers to education or employment.

178.23 (d) An eligible organization's grant application must also include:

178.24 (1) a description of the proposed training;

178.25 (2) an analysis of the degree of demand in the legal cannabis industry for the skills gained
178.26 through the proposed training;

178.27 (3) any evidence of the organization's past success in training individuals for successful
178.28 careers, particularly in new or emerging industries;

178.29 (4) an estimate of the cost of providing the proposed training;

(5) the sources and amounts of any nonstate funds or in-kind contributions that will supplement grant money, including any amounts that individuals will be charged to participate in the training; and

(6) any additional information requested by the commissioner.

(e) In awarding grants under this subdivision, the commissioner shall give weight to applications from organizations that demonstrate a history of successful career training, particularly for individuals facing barriers to education or employment. The commissioner shall also give weight to applications where the proposed training will:

(1) result in an industry-relevant credential; or

(2) include opportunities for hands-on or on-site experience in the industry.

The commissioner shall fund training for a broad range of careers in the legal cannabis industry, including both potential business owners and employees and for work in the growing, processing, and retail sectors of the legal cannabis industry.

Subd. 4. **Grants to individuals.** (a) The commissioner shall award grants of \$..... to eligible individuals to pursue a training program relevant to a career in the legal cannabis industry.

(b) To receive grant money, an eligible individual must submit a written application to the commissioner, using a form developed by the commissioner, identifying a training program relevant to the legal cannabis industry and the estimated cost of completing that training. The application must also indicate whether:

(1) the applicant is eligible to be a social equity applicant;

(2) the proposed training program results in an industry-relevant credential; and

(3) the proposed training program includes opportunities for hands-on or on-site experience in the industry.

The commissioner shall attempt to make the application process simple for individuals to complete, such as by publishing lists of industry-relevant training programs along with the training program's estimated cost of completing the training programs and whether the training programs will result in an industry-relevant credential or include opportunities for hands-on or on-site experience in the legal cannabis industry.

(c) The commissioner must award grants to eligible individuals through a lottery process. Applicants who have filed complete applications by the deadline set by the commissioner shall receive one entry in the lottery, plus one additional entry for each of the following:

180.1 (1) being eligible to be a social equity applicant;

180.2 (2) seeking to enroll in a training program that results in an industry-relevant credential;

180.3 and

180.4 (3) seeking to enroll in a training program that includes opportunities for hands-on or

180.5 on-site experience in the industry.

180.6 (d) Grant money awarded to eligible individuals shall be used to pay the costs of enrolling

180.7 in a training program relevant to the legal cannabis industry, including tuition, fees, and

180.8 materials costs. Grant money may also be used to remove external barriers to attending such

180.9 a training program, such as the cost of child care, transportation, or other expenses approved

180.10 by the commissioner.

180.11 Subd. 5. **Program outreach.** The commissioner shall make extensive efforts to publicize

180.12 these grants, including through partnerships with community organizations, particularly

180.13 those organizations located in areas where long-term residents are eligible to be social equity

180.14 applicants.

180.15 Subd. 6. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,

180.16 the commissioner must submit a report to the chairs and ranking minority members of the

180.17 committees of the house of representatives and the senate having jurisdiction over workforce

180.18 development that describes awards given through the CanTrain program and the use of

180.19 grant money, including any measures of success toward training people for successful

180.20 careers in the legal cannabis industry.

180.21 **ARTICLE 4**

180.22 **CRIMINAL PENALTIES**

180.23 **Section 1.** Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision

180.24 to read:

180.25 Subd. 25. **Cannabis product.** "Cannabis product" has the meaning given in section

180.26 342.01, subdivision 19.

180.27 **Sec. 2.** Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to

180.28 read:

180.29 Subd. 26. **Cannabis concentrate.** "Cannabis concentrate" has the meaning given in

180.30 section 342.01, subdivision 14.

181.1 Sec. 3. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to
181.2 read:

181.3 Subd. 27. **Cannabis flower.** "Cannabis flower" has the meaning given in section 342.01,
181.4 subdivision 15.

181.5 Sec. 4. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to
181.6 read:

181.7 Subd. 28. **Edible cannabis product.** "Edible cannabis product" has the meaning given
181.8 in section 342.01, subdivision 29.

181.9 Sec. 5. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to
181.10 read:

181.11 Subd. 29. **Cannabis plant.** "Cannabis plant" has the meaning given in section 342.01,
181.12 subdivision 18.

181.13 Sec. 6. Minnesota Statutes 2022, section 152.01, is amended by adding a subdivision to
181.14 read:

181.15 Subd. 30. **Synthetically derived cannabinoid.** "Synthetically derived cannabinoid" has
181.16 the meaning given in section 342.01, subdivision 67.

181.17 Sec. 7. Minnesota Statutes 2022, section 152.021, subdivision 2, is amended to read:

181.18 Subd. 2. **Possession crimes.** (a) A person is guilty of a controlled substance crime in
181.19 the first degree if:

181.20 (1) the person unlawfully possesses one or more mixtures of a total weight of 50 grams
181.21 or more containing cocaine or methamphetamine;

181.22 (2) the person unlawfully possesses one or more mixtures of a total weight of 25 grams
181.23 or more containing cocaine or methamphetamine and:

181.24 (i) the person or an accomplice possesses on their person or within immediate reach, or
181.25 uses, whether by brandishing, displaying, threatening with, or otherwise employing, a
181.26 firearm; or

181.27 (ii) the offense involves two aggravating factors;

181.28 (3) the person unlawfully possesses one or more mixtures of a total weight of 25 grams
181.29 or more containing heroin;

(4) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

(5) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 500 or more dosage units; or

(6) the person unlawfully possesses one or more mixtures of a total weight of 50 kilograms or more containing marijuana or Tetrahydrocannabinols, ~~or possesses 500 or more marijuana plants.~~

(b) For the purposes of this subdivision, the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture except in cases where the mixture contains four or more fluid ounces of fluid.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 8. Minnesota Statutes 2022, section 152.022, subdivision 1, is amended to read:

Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the second degree if:

(1) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing a narcotic drug other than heroin;

(2) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of three grams or more containing cocaine or methamphetamine and:

(i) the person or an accomplice possesses on their person or within immediate reach, or uses, whether by brandishing, displaying, threatening with, or otherwise employing, a firearm; or

(ii) the offense involves three aggravating factors;

(3) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of three grams or more containing heroin;

(4) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 50 or more dosage units;

183.1 ~~(5) on one or more occasions within a 90-day period the person unlawfully sells one or~~
183.2 ~~more mixtures of a total weight of ten kilograms or more containing marijuana or~~
183.3 ~~Tetrahydrocannabinols;~~

183.4 ~~(6)~~ (5) the person unlawfully sells any amount of a Schedule I or II narcotic drug to a
183.5 person under the age of 18, or conspires with or employs a person under the age of 18 to
183.6 unlawfully sell the substance; or

183.7 ~~(7)~~ (6) the person unlawfully sells any of the following in a school zone, a park zone, a
183.8 public housing zone, or a drug treatment facility:

183.9 (i) any amount of a Schedule I or II narcotic drug, lysergic acid diethylamide (LSD),
183.10 3,4-methylenedioxy amphetamine, or 3,4-methylenedioxymethamphetamine; or

183.11 (ii) one or more mixtures containing methamphetamine or amphetamine; or

183.12 ~~(iii) one or more mixtures of a total weight of five kilograms or more containing marijuana~~
183.13 ~~or Tetrahydrocannabinols.~~

183.14 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
183.15 committed on or after that date.

183.16 Sec. 9. Minnesota Statutes 2022, section 152.022, subdivision 2, is amended to read:

183.17 Subd. 2. **Possession crimes.** (a) A person is guilty of controlled substance crime in the
183.18 second degree if:

183.19 (1) the person unlawfully possesses one or more mixtures of a total weight of 25 grams
183.20 or more containing cocaine or methamphetamine;

183.21 (2) the person unlawfully possesses one or more mixtures of a total weight of ten grams
183.22 or more containing cocaine or methamphetamine and:

183.23 (i) the person or an accomplice possesses on their person or within immediate reach, or
183.24 uses, whether by brandishing, displaying, threatening with, or otherwise employing, a
183.25 firearm; or

183.26 (ii) the offense involves three aggravating factors;

183.27 (3) the person unlawfully possesses one or more mixtures of a total weight of six grams
183.28 or more containing heroin;

183.29 (4) the person unlawfully possesses one or more mixtures of a total weight of 50 grams
183.30 or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

184.1 (5) the person unlawfully possesses one or more mixtures of a total weight of 50 grams
184.2 or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled
184.3 substance is packaged in dosage units, equaling 100 or more dosage units; or

184.4 (6) the person unlawfully possesses one or more mixtures of a total weight of 25
184.5 kilograms or more containing marijuana or Tetrahydrocannabinols, ~~or possesses 100 or~~
184.6 ~~more marijuana plants.~~

184.7 (b) For the purposes of this subdivision, the weight of fluid used in a water pipe may
184.8 not be considered in measuring the weight of a mixture except in cases where the mixture
184.9 contains four or more fluid ounces of fluid.

184.10 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
184.11 committed on or after that date.

184.12 Sec. 10. Minnesota Statutes 2022, section 152.023, subdivision 1, is amended to read:

184.13 Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the third
184.14 degree if:

184.15 (1) the person unlawfully sells one or more mixtures containing a narcotic drug;

184.16 (2) on one or more occasions within a 90-day period the person unlawfully sells one or
184.17 more mixtures containing phencyclidine or hallucinogen, it is packaged in dosage units,
184.18 and equals ten or more dosage units;

184.19 (3) the person unlawfully sells one or more mixtures containing a controlled substance
184.20 classified in Schedule I, II, or III, except a Schedule I or II narcotic drug, cannabis flower,
184.21 or cannabis products to a person under the age of 18; or

184.22 (4) the person conspires with or employs a person under the age of 18 to unlawfully sell
184.23 one or more mixtures containing a controlled substance listed in Schedule I, II, or III, except
184.24 a Schedule I or II narcotic drug; ~~or,~~ cannabis flower, or cannabis products.

184.25 ~~(5) on one or more occasions within a 90-day period the person unlawfully sells one or~~
184.26 ~~more mixtures of a total weight of five kilograms or more containing marijuana or~~
184.27 ~~Tetrahydrocannabinols.~~

184.28 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
184.29 committed on or after that date.

Sec. 11. Minnesota Statutes 2022, section 152.023, subdivision 2, is amended to read:

Subd. 2. **Possession crimes.** (a) A person is guilty of controlled substance crime in the third degree if:

(1) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug other than heroin;

(2) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures of a total weight of three grams or more containing heroin;

(3) on one or more occasions within a 90-day period the person unlawfully possesses one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals 50 or more dosage units;

(4) on one or more occasions within a 90-day period the person unlawfully possesses any amount of a schedule I or II narcotic drug or five or more dosage units of lysergic acid diethylamide (LSD), 3,4-methylenedioxy amphetamine, or 3,4-methylenedioxymethamphetamine in a school zone, a park zone, a public housing zone, or a drug treatment facility;

(5) on one or more occasions within a 90-day period the person unlawfully possesses ~~one or more mixtures of a total weight of ten kilograms or more containing marijuana or Tetrahydrocannabinols;~~

(i) more than ten kilograms of cannabis flower;

(ii) more than two kilograms of cannabis concentrate; or

(iii) edible cannabis products infused with more than 200 grams of tetrahydrocannabinol;

or

(6) the person unlawfully possesses one or more mixtures containing methamphetamine or amphetamine in a school zone, a park zone, a public housing zone, or a drug treatment facility.

(b) For the purposes of this subdivision, the weight of fluid used in a water pipe may not be considered in measuring the weight of a mixture except in cases where the mixture contains four or more fluid ounces of fluid.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 12. Minnesota Statutes 2022, section 152.024, subdivision 1, is amended to read:

Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the fourth degree if:

(1) the person unlawfully sells one or more mixtures containing a controlled substance classified in Schedule I, II, or III, except marijuana or Tetrahydrocannabinols;

(2) the person unlawfully sells one or more mixtures containing a controlled substance classified in Schedule IV or V to a person under the age of 18; or

(3) the person conspires with or employs a person under the age of 18 to unlawfully sell a controlled substance classified in Schedule IV or V; or.

~~(4) the person unlawfully sells any amount of marijuana or Tetrahydrocannabinols in a school zone, a park zone, a public housing zone, or a drug treatment facility, except a small amount for no remuneration.~~

EFFECTIVE DATE. This section is effective January 1, 2024, and applies to crimes committed on or after that date.

Sec. 13. Minnesota Statutes 2022, section 152.025, subdivision 1, is amended to read:

Subdivision 1. **Sale crimes.** A person is guilty of a controlled substance crime in the fifth degree and upon conviction may be sentenced as provided in subdivision 4 if:

~~(1) the person unlawfully sells one or more mixtures containing marijuana or tetrahydrocannabinols, except a small amount of marijuana for no remuneration; or~~

~~(2) the person unlawfully sells one or more mixtures containing a controlled substance classified in Schedule IV.~~

EFFECTIVE DATE. This section is effective January 1, 2024, and applies to crimes committed on or after that date.

Sec. 14. Minnesota Statutes 2022, section 152.025, subdivision 2, is amended to read:

Subd. 2. **Possession and other crimes.** A person is guilty of controlled substance crime in the fifth degree and upon conviction may be sentenced as provided in subdivision 4 if:

(1) the person unlawfully possesses one or more mixtures containing a controlled substance classified in Schedule I, II, III, or IV, except ~~a small amount of marijuana~~ cannabis flower or cannabis products; or

(2) the person procures, attempts to procure, possesses, or has control over a controlled substance by any of the following means:

(i) fraud, deceit, misrepresentation, or subterfuge;

(ii) using a false name or giving false credit; or

(iii) falsely assuming the title of, or falsely representing any person to be, a manufacturer, wholesaler, pharmacist, physician, doctor of osteopathic medicine licensed to practice medicine, dentist, podiatrist, veterinarian, or other authorized person for the purpose of obtaining a controlled substance.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 15. **[152.0263] CANNABIS POSSESSION CRIMES.**

Subdivision 1. Possession of cannabis in the first degree. A person is guilty of cannabis possession in the first degree and may be sentenced to imprisonment of not more than five years or to payment of a fine of not more than \$10,000, or both, if the person unlawfully possesses any of the following:

(1) more than two pounds but not more than ten kilograms of cannabis flower in any place other than the person's residence;

(2) more than two pounds but not more than ten kilograms of cannabis flower derived from sources other than the home cultivation of cannabis plants authorized in section 342.09, subdivision 2, in the person's residence;

(3) more than five pounds but not more than ten kilograms of cannabis flower, regardless of the cannabis' source, in the person's residence;

(4) more than 160 grams but not more than two kilograms of cannabis concentrate; or

(5) edible cannabis products infused with more than 16 grams but not more than 200 grams of tetrahydrocannabinol.

Subd. 2. Possession of cannabis in the second degree. A person is guilty of cannabis possession in the second degree and may be sentenced to imprisonment of not more than one year or to payment of a fine of not more than \$3,000, or both, if the person unlawfully possesses any of the following:

(1) more than one pound but not more than two pounds of cannabis flower in any place other than the person's residence;

(2) more than 80 grams but not more than 160 grams of cannabis concentrate; or

(3) edible cannabis products infused with more than eight grams but not more than 16 grams of tetrahydrocannabinol.

Subd. 3. Possession of cannabis in the third degree. A person is guilty of cannabis possession in the third degree and may be sentenced to imprisonment of not more than 90 days or to payment of a fine of not more than \$1,000, or both, if the person unlawfully possesses any of the following:

(1) more than four ounces but not more than one pound of cannabis flower in any place other than the person's residence;

(2) more than 16 grams but not more than 80 grams of cannabis concentrate; or

(3) edible cannabis products infused with more than 1,600 milligrams but not more than eight grams of tetrahydrocannabinol.

Subd. 4. Possession of cannabis in the fourth degree. A person is guilty of a petty misdemeanor if the person unlawfully possesses any of the following:

(1) more than two ounces but not more than four ounces of cannabis flower in any place other than the person's residence;

(2) more than eight grams but not more than 16 grams of cannabis concentrate; or

(3) edible cannabis products infused with more than 800 milligrams but not more than 1,600 milligrams of tetrahydrocannabinol.

Subd. 5. Use of cannabis in a motor vehicle. (a) A person is guilty of a crime and may be sentenced to imprisonment of not more than 90 days or to payment of a fine of not more than \$1,000, or both, if the person unlawfully uses cannabis flower or cannabis products while driving, operating, or being in physical control of any motor vehicle, as defined in section 169A.03, subdivision 15.

(b) The State Patrol must increase enforcement of this subdivision annually on April 20. Other law enforcement agencies are encouraged to increase enforcement of this subdivision annually on April 20.

Subd. 6. Use of cannabis in public. A local unit of government may adopt an ordinance establishing a petty misdemeanor offense for a person who unlawfully uses cannabis flower or cannabis products in a public place provided that the definition of public place does not include the following:

(1) a private residence, including the person's curtilage or yard;

(2) private property not generally accessible by the public, unless the person is explicitly prohibited from consuming cannabis flower or cannabis products on the property by the owner of the property; or

(3) the premises of an establishment or event licensed to permit on-site consumption.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 16. **[152.0264] CANNABIS SALE CRIMES.**

Subdivision 1. Sale of cannabis in the first degree. A person is guilty of the sale of cannabis in the first degree and may be sentenced to imprisonment of not more than five years or to payment of a fine of not more than \$10,000, or both, if the person unlawfully sells more than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or edible cannabis products infused with more than 800 milligrams of tetrahydrocannabinol:

(1) to a minor and the defendant is an adult who is more than 36 months older than the minor;

(2) within ten years of two or more convictions for the unlawful sale of more than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or edible cannabis products infused with more than 800 milligrams of tetrahydrocannabinol; or

(3) within ten years of a conviction under this subdivision.

Subd. 2. Sale of cannabis in the second degree. A person is guilty of sale of cannabis in the second degree and may be sentenced to imprisonment of not more than one year or to payment of a fine of not more than \$3,000, or both, if the person unlawfully sells more than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or edible cannabis products infused with more than 800 milligrams of tetrahydrocannabinol:

(1) to a minor and the defendant is an adult who is not more than 36 months older than the minor;

(2) in a school zone, a park zone, a public housing zone, or a drug treatment facility; or

(3) within ten years of a conviction for the unlawful sale of more than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or edible cannabis products infused with more than 800 milligrams of tetrahydrocannabinol.

190.1 Subd. 3. Sale of cannabis in the third degree. A person is guilty of sale of cannabis in
190.2 the third degree and may be sentenced to imprisonment of not more than 90 days or to
190.3 payment of a fine of not more than \$1,000, or both, if the person unlawfully sells:

190.4 (1) more than two ounces of cannabis flower;

190.5 (2) more than eight grams of cannabis concentrate; or

190.6 (3) edible cannabis products infused with more than 800 milligrams of
190.7 tetrahydrocannabinol.

190.8 Subd. 4. Sale of cannabis in the fourth degree. (a) A person is guilty of a petty
190.9 misdemeanor if the person unlawfully sells:

190.10 (1) not more than two ounces of cannabis flower;

190.11 (2) not more than eight grams of cannabis concentrate; or

190.12 (3) edible cannabis products infused with not more than 800 milligrams of
190.13 tetrahydrocannabinol.

190.14 (b) A sale for no remuneration by an individual over the age of 21 to another individual
190.15 over the age of 21 is not an unlawful sale under this subdivision.

190.16 Subd. 5. Sale of cannabis by a minor. (a) A minor is guilty of a petty misdemeanor if:

190.17 (1) the minor unlawfully sells cannabis flower, cannabis concentrate, or cannabis
190.18 products; and

190.19 (2) the minor has not previously received a petty misdemeanor disposition or been
190.20 adjudicated delinquent for committing an act in violation of this section.

190.21 (b) A minor sentenced under this subdivision is required to participate in a drug education
190.22 program unless the court enters a written finding that a drug education program is
190.23 inappropriate. The program must be approved by an area mental health board with a
190.24 curriculum approved by the state alcohol and drug abuse authority.

190.25 (c) A minor who receives a disposition pursuant to this subdivision is required to perform
190.26 community service.

190.27 EFFECTIVE DATE. This section is effective January 1, 2024, and applies to crimes
190.28 committed on or after that date.

191.1 Sec. 17. **[152.0265] CANNABIS CULTIVATION CRIMES.**

191.2 Subdivision 1. **Cultivation of cannabis in the first degree.** A person is guilty of
191.3 cultivation of cannabis in the first degree and may be sentenced to imprisonment of not
191.4 more than five years or to payment of a fine of not more than \$10,000, or both, if the person
191.5 unlawfully cultivates more than 23 cannabis plants.

191.6 Subd. 2. **Cultivation of cannabis in the second degree.** A person is guilty of cultivation
191.7 of cannabis in the second degree and may be sentenced to imprisonment of not more than
191.8 one year or to payment of a fine of not more than \$3,000, or both, if the person unlawfully
191.9 cultivates more than 16 cannabis plants but not more than 23 cannabis plants.

191.10 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
191.11 committed on or after that date.

191.12 Sec. 18. **[169A.36] OPEN PACKAGE LAW.**

191.13 Subdivision 1. **Definitions.** As used in this section:

191.14 (1) "synthetically derived cannabinoid" has the meaning given in section 342.01,
191.15 subdivision 67;

191.16 (2) "cannabis product" has the meaning given in section 342.01, subdivision 2;

191.17 (3) "cannabis flower" has the meaning given in section 342.01, subdivision 16;

191.18 (4) "motor vehicle" does not include motorboats in operation or off-road recreational
191.19 vehicles except while operated on a roadway or shoulder of a roadway that is not part of a
191.20 grant-in-aid trail or trail designated for that vehicle by the commissioner of natural resources;
191.21 and

191.22 (5) "possession" means either that the person had actual possession of the package or
191.23 that the person consciously exercised dominion and control over the package.

191.24 Subd. 2. **Use; crime described.** It is a crime for a person to use cannabis flower, a
191.25 cannabis product, or any product containing a synthetically derived cannabinoid in a motor
191.26 vehicle when the vehicle is on a street or highway.

191.27 Subd. 3. **Possession; crime described.** It is a crime for a person to have in possession,
191.28 while in a private motor vehicle on a street or highway, any cannabis flower, a cannabis
191.29 product, or any product containing a synthetically derived cannabinoid that:

191.30 (1) is in packaging or another container that does not comply with the relevant packaging
191.31 requirements in chapter 152 or 342;

(2) has been removed from the packaging in which it was sold;

(3) is in packaging that has been opened or the seal has been broken; or

(4) is in packaging of which the contents have been partially removed.

Subd. 4. Liability of nonpresent owner; crime described. It is a crime for the owner of any private motor vehicle or the driver, if the owner is not present in the motor vehicle, to keep or allow to be kept in a motor vehicle when the vehicle is on a street or highway cannabis flower, a cannabis product, or any product containing a synthetically derived cannabinoid that:

(1) is in packaging or another container that does not comply with the relevant packaging requirements in chapter 152 or 342;

(2) has been removed from the packaging in which it was sold;

(3) is in packaging that has been opened or the seal has been broken; or

(4) is in packaging of which the contents have been partially removed.

Subd. 5. Criminal penalty. A person who violates subdivision 2, 3, or 4 is guilty of a misdemeanor.

Subd. 6. Exceptions. (a) This section does not prohibit the possession or consumption of cannabis flower, a cannabis product, or any other product containing a synthetically derived cannabinoid by passengers in:

(1) a bus that is operated by a motor carrier of passengers as defined in section 221.012, subdivision 26;

(2) a vehicle that is operated for commercial purposes in a manner similar to a bicycle as defined in section 169.011, subdivision 4, with five or more passengers who provide pedal power to the drive train of the vehicle; or

(3) a vehicle providing limousine service as defined in section 221.84, subdivision 1.

(b) Subdivisions 3 and 4 do not apply to: (1) a package that is in the trunk of the vehicle if the vehicle is equipped with a trunk; or (2) a package that is in another area of the vehicle not normally occupied by the driver and passengers if the vehicle is not equipped with a trunk. A utility compartment or glove compartment is deemed to be within the area occupied by the driver and passengers.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

193.1 Sec. 19. Minnesota Statutes 2022, section 609.135, subdivision 1, is amended to read:

193.2 Subdivision 1. **Terms and conditions.** (a) Except when a sentence of life imprisonment
193.3 is required by law, or when a mandatory minimum sentence is required by section 609.11,
193.4 any court may stay imposition or execution of sentence and:

193.5 (1) may order intermediate sanctions without placing the defendant on probation; or

193.6 (2) may place the defendant on probation with or without supervision and on the terms
193.7 the court prescribes, including intermediate sanctions when practicable. The court may order
193.8 the supervision to be under the probation officer of the court, or, if there is none and the
193.9 conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in
193.10 any case by some other suitable and consenting person. Unless the court directs otherwise,
193.11 state parole and probation agents and probation officers may impose community work
193.12 service or probation violation sanctions, consistent with section 243.05, subdivision 1;
193.13 sections 244.196 to 244.199; or 401.02, subdivision 5.

193.14 No intermediate sanction may be ordered performed at a location that fails to observe
193.15 applicable requirements or standards of chapter 181A or 182, or any rule promulgated under
193.16 them.

193.17 (b) For purposes of this subdivision, subdivision 6, and section 609.14, the term
193.18 "intermediate sanctions" includes but is not limited to incarceration in a local jail or
193.19 workhouse, home detention, electronic monitoring, intensive probation, sentencing to service,
193.20 reporting to a day reporting center, chemical dependency or mental health treatment or
193.21 counseling, restitution, fines, day-fines, community work service, work service in a restorative
193.22 justice program, work in lieu of or to work off fines and, with the victim's consent, work in
193.23 lieu of or to work off restitution.

193.24 (c) A court may not stay the revocation of the driver's license of a person convicted of
193.25 violating the provisions of section 169A.20.

193.26 (d) If the court orders a fine, day-fine, or restitution as an intermediate sanction, payment
193.27 is due on the date imposed unless the court otherwise establishes a due date or a payment
193.28 plan.

193.29 (e) The court may prohibit a defendant from using adult-use cannabis flower as defined
193.30 in section 342.01, subdivision 4, or adult-use cannabis products as defined in section 342.01,
193.31 subdivision 2, if the defendant undergoes a chemical use assessment and abstinence is
193.32 consistent with a recommended level of care for the defendant in accordance with the criteria
193.33 in rules adopted by the commissioner of human services under section 254A.03, subdivision

3. The assessment must be conducted by an assessor qualified under rules adopted by the commissioner of human services under section 254A.03, subdivision 3. An assessor providing a chemical use assessment may not have any direct or shared financial interest or referral relationship resulting in shared financial gain with a treatment provider, except as authorized under section 254A.19, subdivision 3. If an independent assessor is not available, the probation officer may use the services of an assessor authorized to perform assessments for the county social services agency under a variance granted under rules adopted by the commissioner of human services under section 254A.03, subdivision 3.

(f) A court shall not impose an intermediate sanction that has the effect of prohibiting a person from participating in the registry program as defined in section 342.01, subdivision 63.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to sentences ordered on or after that date.

Sec. 20. Minnesota Statutes 2022, section 609.5311, subdivision 1, is amended to read:

Subdivision 1. **Controlled substances.** All controlled substances that were manufactured, distributed, dispensed, or acquired in violation of chapter 152 or 342 are subject to forfeiture under this section, except as provided in subdivision 3 and section 609.5316.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to violations committed on or after that date.

Sec. 21. Minnesota Statutes 2022, section 609.5314, subdivision 1, is amended to read:

Subdivision 1. **Property subject to administrative forfeiture.** (a) The following are subject to administrative forfeiture under this section:

(1) all money totaling \$1,500 or more, precious metals, and precious stones that there is probable cause to believe represent the proceeds of a controlled substance offense;

(2) all money found in proximity to controlled substances when there is probable cause to believe that the money was exchanged for the purchase of a controlled substance;

(3) all conveyance devices containing controlled substances with a retail value of \$100 or more if there is probable cause to believe that the conveyance device was used in the transportation or exchange of a controlled substance intended for distribution or sale; and

(4) all firearms, ammunition, and firearm accessories found:

195.1 (i) in a conveyance device used or intended for use to commit or facilitate the commission
195.2 of a felony offense involving a controlled substance;

195.3 (ii) on or in proximity to a person from whom a felony amount of controlled substance
195.4 is seized; or

195.5 (iii) on the premises where a controlled substance is seized and in proximity to the
195.6 controlled substance, if possession or sale of the controlled substance would be a felony
195.7 under chapter 152.

195.8 (b) The Department of Corrections Fugitive Apprehension Unit shall not seize items
195.9 listed in paragraph (a), clauses (3) and (4), for the purposes of forfeiture.

195.10 (c) Money is the property of an appropriate agency and may be seized and recovered by
195.11 the appropriate agency if:

195.12 (1) the money is used by an appropriate agency, or furnished to a person operating on
195.13 behalf of an appropriate agency, to purchase or attempt to purchase a controlled substance;
195.14 and

195.15 (2) the appropriate agency records the serial number or otherwise marks the money for
195.16 identification.

195.17 (d) As used in this section, "money" means United States currency and coin; the currency
195.18 and coin of a foreign country; a bank check, cashier's check, or traveler's check; a prepaid
195.19 credit card; cryptocurrency; or a money order.

195.20 (e) As used in this section, "controlled substance" does not include cannabis flower as
195.21 defined in section 342.01, subdivision 16, or cannabis product as defined in section 342.01,
195.22 subdivision 2.

195.23 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
195.24 committed on or after that date.

195.25 Sec. 22. Minnesota Statutes 2022, section 609.5316, subdivision 2, is amended to read:

195.26 Subd. 2. **Controlled substances.** (a) Controlled substances listed in Schedule I that are
195.27 possessed, transferred, sold, or offered for sale in violation of chapter 152 or 342, are
195.28 contraband and must be seized and summarily forfeited. Controlled substances listed in
195.29 Schedule I that are seized or come into the possession of peace officers, the owners of which
195.30 are unknown, are contraband and must be summarily forfeited.

195.31 (b) Species of plants from which controlled substances in Schedules I and II may be
195.32 derived that have been planted or cultivated in violation of chapter 152 or of which the

owners or cultivators are unknown, or that are wild growths, may be seized and summarily forfeited to the state. The appropriate agency or its authorized agent may seize the plants if the person in occupancy or in control of land or premises where the plants are growing or being stored fails to produce an appropriate registration or proof that the person is the holder of appropriate registration.

EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes committed on or after that date.

Sec. 23. **DWI CONTROLLED SUBSTANCE ROADSIDE TESTING INSTRUMENT PILOT PROJECT; REPORT REQUIRED.**

(a) The commissioner of public safety must design, plan, and implement a pilot project to study oral fluid roadside testing instruments to determine the presence of a controlled substance or intoxicating substance in individuals stopped or arrested for driving while impaired offenses. The pilot project must determine the practicality, accuracy, and efficacy of these testing instruments and determine and make recommendations on the best instrument or instruments to pursue in the future.

(b) The pilot project must begin on September 1, 2023, and continue until August 31, 2024.

(c) The commissioner must consult with law enforcement officials, prosecutors, criminal defense attorneys, and other interested and knowledgeable parties when designing, implementing, and evaluating the pilot project.

(d) All oral fluid samples obtained for the purpose of this pilot project must be obtained by a certified drug recognition evaluator and may only be collected with the express voluntary consent of the person stopped or arrested for suspicion of driving while impaired. Results of tests conducted under the pilot project are to be used for the purpose of analyzing the practicality, accuracy, and efficacy of the instrument. Results may not be used to decide whether an arrest should be made and are not admissible in any legal proceeding.

(e) By February 1, 2025, the commissioner must report to the chairs and ranking minority members of the legislative committees with jurisdiction over public safety on the results of the pilot project. At a minimum, the report must include information on how accurate the instruments were when tested against laboratory results, how often participants were found to have controlled substances or intoxicating substances in their systems, how often there was commingling of controlled substances or intoxicating substances with alcohol, the types of controlled substances or intoxicating substances found in participants' systems and which

197.1 types were most common, and the number of participants in the project. In addition, the
197.2 report must assess the practicality and reliability of using the instruments in the field and
197.3 make recommendations on continuing the project permanently.

197.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

197.5 **ARTICLE 5**
197.6 **EXPUNGEMENT**

197.7 Section 1. Minnesota Statutes 2022, section 152.18, subdivision 1, is amended to read:

197.8 Subdivision 1. **Deferring prosecution for certain first time drug offenders.** (a) A
197.9 court may defer prosecution as provided in paragraph (c) for any person found guilty, after
197.10 trial or upon a plea of guilty, of a violation of section 152.023, subdivision 2, 152.024,
197.11 subdivision 2, 152.025, subdivision 2, or 152.027, subdivision 2, 3, 4, or 6, paragraph (d),
197.12 for possession of a controlled substance, who:

197.13 (1) has not previously participated in or completed a diversion program authorized under
197.14 section 401.065;

197.15 (2) has not previously been placed on probation without a judgment of guilty and
197.16 thereafter been discharged from probation under this section; and

197.17 (3) has not been convicted of a felony violation of this chapter, including a felony-level
197.18 attempt or conspiracy, or been convicted by the United States or another state of a similar
197.19 offense that would have been a felony under this chapter if committed in Minnesota, unless
197.20 ten years have elapsed since discharge from sentence.

197.21 (b) The court must defer prosecution as provided in paragraph (c) for any person found
197.22 guilty of a violation of section 152.025, subdivision 2, who:

197.23 (1) meets the criteria listed in paragraph (a), clauses (1) to (3); and

197.24 (2) has not previously been convicted of a felony offense under any state or federal law
197.25 or of a gross misdemeanor under section 152.025.

197.26 (c) In granting relief under this section, the court shall, without entering a judgment of
197.27 guilty and with the consent of the person, defer further proceedings and place the person
197.28 on probation upon such reasonable conditions as it may require and for a period, not to
197.29 exceed the maximum sentence provided for the violation. The court may give the person
197.30 the opportunity to attend and participate in an appropriate program of education regarding
197.31 the nature and effects of alcohol and drug abuse as a stipulation of probation. Upon violation
197.32 of a condition of the probation, the court may enter an adjudication of guilt and proceed as

otherwise provided. The court may, in its discretion, dismiss the proceedings against the person and discharge the person from probation before the expiration of the maximum period prescribed for the person's probation. If during the period of probation the person does not violate any of the conditions of the probation, then upon expiration of the period the court shall discharge the person and dismiss the proceedings against that person. Discharge and dismissal under this subdivision shall be without court adjudication of guilt, but a not public record of it shall be retained by the Bureau of Criminal Apprehension for the purpose of use by the courts in determining the merits of subsequent proceedings against the person. The not public record may also be opened only upon court order for purposes of a criminal investigation, prosecution, or sentencing. Upon receiving notice that the proceedings were dismissed, the Bureau of Criminal Apprehension shall notify the arresting or citing law enforcement agency and direct that agency to seal the agency's records related to the dismissed charge. Upon request by law enforcement, prosecution, or corrections authorities, the bureau shall notify the requesting party of the existence of the not public record and the right to seek a court order to open it pursuant to this section. The court shall forward a record of any discharge and dismissal under this subdivision to the bureau which shall make and maintain the not public record of it as provided under this subdivision. The discharge or dismissal shall not be deemed a conviction for purposes of disqualifications or disabilities imposed by law upon conviction of a crime or for any other purpose.

For purposes of this subdivision, "not public" has the meaning given in section 13.02, subdivision 8a.

Sec. 2. Minnesota Statutes 2022, section 609A.01, is amended to read:

609A.01 EXPUNGEMENT OF CRIMINAL RECORDS.

This chapter provides the grounds and procedures for expungement of criminal records under section 13.82; 152.18, subdivision 1; 299C.11, where a petition is authorized under section 609A.02, subdivision 3; expungement is automatic under section 609A.05; expungement is considered by a panel under section 609A.06; or other applicable law. The remedy available is limited to a court order sealing the records and prohibiting the disclosure of their existence or their opening except under court order or statutory authority. Nothing in this chapter authorizes the destruction of records or their return to the subject of the records.

EFFECTIVE DATE. This section is effective January 1, 2025.

199.1 Sec. 3. Minnesota Statutes 2022, section 609A.03, subdivision 5, is amended to read:

199.2 Subd. 5. **Nature of remedy; standard.** (a) Except as otherwise provided by paragraph
199.3 (b), expungement of a criminal record under this section is an extraordinary remedy to be
199.4 granted only upon clear and convincing evidence that it would yield a benefit to the petitioner
199.5 commensurate with the disadvantages to the public and public safety of:

199.6 (1) sealing the record; and

199.7 (2) burdening the court and public authorities to issue, enforce, and monitor an
199.8 expungement order.

199.9 (b) Except as otherwise provided by this paragraph, if the petitioner is petitioning for
199.10 the sealing of a criminal record under section 609A.02, subdivision 3, paragraph (a), clause
199.11 (1) or (2), the court shall grant the petition to seal the record unless the agency or jurisdiction
199.12 whose records would be affected establishes by clear and convincing evidence that the
199.13 interests of the public and public safety outweigh the disadvantages to the petitioner of not
199.14 sealing the record.

199.15 (c) In making a determination under this subdivision, the court shall consider:

199.16 (1) the nature and severity of the underlying crime, the record of which would be sealed;

199.17 (2) the risk, if any, the petitioner poses to individuals or society;

199.18 (3) the length of time since the crime occurred;

199.19 (4) the steps taken by the petitioner toward rehabilitation following the crime;

199.20 (5) aggravating or mitigating factors relating to the underlying crime, including the
199.21 petitioner's level of participation and context and circumstances of the underlying crime;

199.22 (6) the reasons for the expungement, including the petitioner's attempts to obtain
199.23 employment, housing, or other necessities;

199.24 (7) the petitioner's criminal record;

199.25 (8) the petitioner's record of employment and community involvement;

199.26 (9) the recommendations of interested law enforcement, prosecutorial, and corrections
199.27 officials;

199.28 (10) the recommendations of victims or whether victims of the underlying crime were
199.29 minors;

200.1 (11) the amount, if any, of restitution outstanding, past efforts made by the petitioner
200.2 toward payment, and the measures in place to help ensure completion of restitution payment
200.3 after expungement of the record if granted; and

200.4 (12) other factors deemed relevant by the court.

200.5 (d) Notwithstanding section 13.82, 13.87, or any other law to the contrary, if the court
200.6 issues an expungement order it may require that the criminal record be sealed, the existence
200.7 of the record not be revealed, and the record not be opened except as required under
200.8 subdivision 7. Records must not be destroyed or returned to the subject of the record.

200.9 (e) Information relating to a criminal history record of an employee, former employee,
200.10 or tenant that has been expunged before the occurrence of the act giving rise to the civil
200.11 action may not be introduced as evidence in a civil action against a private employer or
200.12 landlord or its employees or agents that is based on the conduct of the employee, former
200.13 employee, or tenant.

200.14 **EFFECTIVE DATE.** This section is effective January 1, 2025, and applies to crimes
200.15 committed on or after that date.

200.16 Sec. 4. Minnesota Statutes 2022, section 609A.03, subdivision 9, is amended to read:

200.17 Subd. 9. **Stay of order; appeal.** An expungement order issued under this section shall
200.18 be stayed automatically for 60 days after the order is filed and, if the order is appealed,
200.19 during the appeal period. A person or an agency or jurisdiction whose records would be
200.20 affected by the order may appeal the order within 60 days of service of notice of filing of
200.21 the order. An agency or jurisdiction or its officials or employees need not file a cost bond
200.22 or supersedeas bond in order to further stay the proceedings or file an appeal.

200.23 **EFFECTIVE DATE.** This section is effective January 1, 2025.

200.24 Sec. 5. **[609A.05] AUTOMATIC EXPUNGEMENT OF CERTAIN CANNABIS**
200.25 **OFFENSES.**

200.26 Subdivision 1. **Eligibility; dismissal, exoneration, or conviction of nonfelony cannabis**
200.27 **offenses.** (a) A person is eligible for expungement:

200.28 (1) upon the dismissal and discharge of proceedings against a person under section
200.29 152.18, subdivision 1, for violation of section 152.024, 152.025, or 152.027 for possession
200.30 of marijuana or tetrahydrocannabinols;

201.1 (2) if the person was convicted of or received a stayed sentence for a violation of section
201.2 152.027, subdivision 3 or 4;

201.3 (3) if the person was arrested for possession of marijuana or tetrahydrocannabinols and
201.4 all charges were dismissed after a case was filed, unless the dismissal was based on a finding
201.5 that the defendant was incompetent to proceed; or

201.6 (4) if all pending actions or proceedings involving the possession of marijuana or
201.7 tetrahydrocannabinols were resolved in favor of the person.

201.8 (b) For purposes of this section:

201.9 (1) a verdict of not guilty by reason of mental illness is not a resolution in favor of the
201.10 person; and

201.11 (2) an action or proceeding is resolved in favor of the person if the person received an
201.12 order under section 590.11 determining that the person is eligible for compensation based
201.13 on exoneration.

201.14 Subd. 2. **Bureau of Criminal Apprehension to identify eligible individuals.** (a) The
201.15 Bureau of Criminal Apprehension shall identify bureau records that qualify for expungement
201.16 pursuant to subdivision 1.

201.17 (b) The Bureau of Criminal Apprehension shall notify the judicial branch of:

201.18 (1) the name and date of birth of each person whose case is eligible for an order of
201.19 expungement; and

201.20 (2) the court file number of the eligible case.

201.21 Subd. 3. **Expungement relief; notification requirements.** (a) The Bureau of Criminal
201.22 Apprehension shall grant expungement relief to each qualifying person and seal the bureau's
201.23 records without requiring an application, petition, or motion. The bureau shall seal records
201.24 related to an expungement within 60 days after the bureau sent notice of the expungement
201.25 to the judicial branch pursuant to subdivision 2, paragraph (b), unless an order of the judicial
201.26 branch prohibits sealing the records or additional information establishes that the records
201.27 are not eligible for expungement.

201.28 (b) Nonpublic criminal records maintained by the bureau and subject to a grant of
201.29 expungement relief must display a notation stating "expungement relief granted pursuant
201.30 to section 609A.05."

201.31 (c) The bureau shall inform the judicial branch of all cases that are granted expungement
201.32 relief pursuant to this section. The bureau may notify the judicial branch using electronic

202.1 means and may notify the judicial branch immediately or in a monthly report. Upon receiving
202.2 notice of an expungement, the judicial branch shall seal all related records, including records
202.3 of the person's arrest, indictment, trial, verdict, and dismissal or discharge of the case. Upon
202.4 receiving notice of an expungement, the judicial branch shall issue any order necessary to
202.5 seal related records.

202.6 (d) The bureau shall inform each arresting or citing law enforcement agency or
202.7 prosecutorial office with records affected by the grant of expungement relief issued pursuant
202.8 to paragraph (a) that expungement has been granted. The bureau shall notify each agency
202.9 or office of an expungement within 60 days after the bureau sent notice of the expungement
202.10 to the judicial branch. The bureau may notify each agency or office using electronic means.
202.11 Upon receiving notification of an expungement, an agency or office shall seal all records
202.12 related to the expungement, including the records of the person's arrest, indictment, trial,
202.13 verdict, and dismissal or discharge of the case. Notice must also clearly state that persons
202.14 who are noncitizens may need copies of these records for immigration purposes, explain
202.15 how they can obtain these copies after expungement or other granted relief, and state that
202.16 a noncitizen should consult with an immigration attorney.

202.17 (e) Data on a person whose offense has been expunged under this subdivision, including
202.18 any notice sent pursuant to paragraph (d), are private data on individuals as defined in section
202.19 13.02, subdivision 12.

202.20 (f) In any subsequent prosecution of a person with a prior expunged criminal record, a
202.21 prosecutor may include the person's expunged criminal record in a complaint or other
202.22 charging document if permitted by applicable law and the rules of criminal procedure.

202.23 (g) The subject whose record qualifies for expungement shall be given access to copies
202.24 of the records of arrest, conviction, or incarceration for any purposes, including immigration
202.25 purposes.

202.26 (h) Relief granted under this subdivision shall not impact the ability of a petitioner to
202.27 file for relief under section 590.01.

202.28 **EFFECTIVE DATE.** This section is effective January 1, 2025.

202.29 Sec. 6. **[609A.06] EXPUNGEMENT AND RESENTENCING OF FELONY**
202.30 **CANNABIS OFFENSES.**

202.31 Subdivision 1. **Cannabis Expungement Board.** (a) The Cannabis Expungement Board
202.32 is created with the powers and duties established by law.

202.33 (b) The Cannabis Expungement Board is composed of the following members:

- 203.1 (1) the chief justice of the supreme court or a designee;
- 203.2 (2) the attorney general or a designee;
- 203.3 (3) one public defender, appointed by the governor upon recommendation of the state
- 203.4 public defender;
- 203.5 (4) the commissioner of one department of the state government as defined in section
- 203.6 15.01, appointed by the governor; and
- 203.7 (5) one public member with experience as an advocate for victim's rights, appointed by
- 203.8 the governor.
- 203.9 (c) The Cannabis Expungement Board shall have the following powers and duties:
- 203.10 (1) to obtain and review the records, including but not limited to all matters, files,
- 203.11 documents, and papers incident to the arrest, indictment, information, trial, appeal, or
- 203.12 dismissal and discharge, which relate to a charge for possession of a controlled substance;
- 203.13 (2) to determine whether a person committed an act involving the possession of cannabis
- 203.14 flower or cannabis products that would either be a lesser offense or no longer be a crime
- 203.15 after August 1, 2023;
- 203.16 (3) to determine whether a person's conviction should be vacated, charges should be
- 203.17 dismissed, and records should be expunged, or whether the person should be resentenced
- 203.18 to a lesser offense; and
- 203.19 (4) to notify the judicial branch of individuals eligible for an expungement or resentencing
- 203.20 to a lesser offense.
- 203.21 (d) The Cannabis Expungement Board shall complete the board's work by June 30, 2028.
- 203.22 Subd. 2. **Eligibility; possession of cannabis.** (a) A person is eligible for an expungement
- 203.23 or resentencing to a lesser offense if:
- 203.24 (1) the person was convicted of, or adjudication was stayed for, a violation of any of the
- 203.25 following involving the possession of marijuana or tetrahydrocannabinols:
- 203.26 (i) section 152.021, subdivision 2, clause (6);
- 203.27 (ii) section 152.022, subdivision 2, clause (6);
- 203.28 (iii) section 152.023, subdivision 2, clause (5); or
- 203.29 (iv) section 152.025, subdivision 2, clause (1).

204.1 (2) the offense did not involve a dangerous weapon, the intentional infliction of bodily
204.2 harm on another, an attempt to inflict bodily harm on another, or an act committed with the
204.3 intent to cause fear in another of immediate bodily harm or death;

204.4 (3) the act on which the charge was based would either be a lesser offense or no longer
204.5 be a crime after August 1, 2023; and

204.6 (4) the person did not appeal the sentence, any appeal was denied, or the deadline to file
204.7 an appeal has expired.

204.8 (b) For purposes of this subdivision, a "lesser offense" means a nonfelony offense if the
204.9 person was charged with a felony.

204.10 Subd. 3. **Bureau of Criminal Apprehension to identify eligible records.** (a) The
204.11 Bureau of Criminal Apprehension shall identify convictions and sentences where adjudication
204.12 was stayed that qualify for review under subdivision 2, paragraph (a), clause (1).

204.13 (b) The Bureau of Criminal Apprehension shall notify the Cannabis Expungement Board
204.14 of:

204.15 (1) the name and date of birth of a person whose record is eligible for review; and

204.16 (2) the court file number of the eligible conviction or stay of adjudication.

204.17 Subd. 4. **Access to records.** The Cannabis Expungement Board shall have free access
204.18 to records, including but not limited to all matters, files, documents, and papers incident to
204.19 the arrest, indictment, information, trial, appeal, or dismissal and discharge that relate to a
204.20 charge and conviction or stay of adjudication for possession of a controlled substance held
204.21 by law enforcement agencies, prosecuting authorities, and court administrators. The Cannabis
204.22 Expungement Board may issue subpoenas for and compel the production of books, records,
204.23 accounts, documents, and papers. If any person fails or refuses to produce any books, records,
204.24 accounts, documents, or papers material in the matter under consideration after having been
204.25 lawfully required by order or subpoena, any judge of the district court in any county of the
204.26 state where the order or subpoena was made returnable, on application of the commissioner
204.27 of management and budget or commissioner of administration, as the case may be, shall
204.28 compel obedience or punish disobedience as for contempt, as in the case of disobedience
204.29 of a similar order or subpoena issued by such court.

204.30 Subd. 5. **Meetings; anonymous identifier.** (a) The Cannabis Expungement Board shall
204.31 hold meetings at least monthly and shall hold a meeting whenever the board takes formal
204.32 action on a review of a conviction or stay of adjudication for an offense involving the

205.1 possession of marijuana or tetrahydrocannabinols. All board meetings shall be open to the
205.2 public and subject to chapter 13D.

205.3 (b) Any victim of a crime being reviewed and any law enforcement agency may submit
205.4 an oral or written statement at the meeting, giving a recommendation on whether a person's
205.5 record should be expunged or the person should be resentenced to a lesser offense. The
205.6 board must consider the victim's and the law enforcement agency's statement when making
205.7 the board's decision.

205.8 (c) Section 13D.05 governs the board's treatment of not public data, as defined by section
205.9 13.02, subdivision 8a, discussed at open meetings of the board. Notwithstanding section
205.10 13.03, subdivision 11, the board shall assign an anonymous, unique identifier to each victim
205.11 of a crime and person whose conviction or stay of adjudication the board reviews. The
205.12 identifier shall be used in any discussion in a meeting open to the public and on any records
205.13 available to the public to protect the identity of the person whose records are being
205.14 considered.

205.15 Subd. 6. **Review and determination.** (a) The Cannabis Expungement Board shall review
205.16 all available records to determine whether the conviction or stay of adjudication is eligible
205.17 for an expungement or resentencing to a lesser offense. An expungement under this section
205.18 is presumed to be in the public interest unless there is clear and convincing evidence that
205.19 an expungement or resentencing to a lesser offense would create a risk to public safety.

205.20 (b) If the Cannabis Expungement Board determines that an expungement is in the public
205.21 interest, the board shall determine whether a person's conviction should be vacated and
205.22 charges should be dismissed.

205.23 (c) If the Cannabis Expungement Board determines that an expungement is in the public
205.24 interest, the board shall determine whether the limitations under section 609A.03, subdivision
205.25 5a, apply.

205.26 (d) If the Cannabis Expungement Board determines that an expungement is in the public
205.27 interest, the board shall determine whether the limitations under section 609A.03, subdivision
205.28 7a, paragraph (b), clause (4) or (5), apply.

205.29 (e) If the Cannabis Expungement Board determines that an expungement is not in the
205.30 public interest, the board shall determine whether the person is eligible for resentencing to
205.31 a lesser offense.

205.32 (f) In making a determination under this subdivision, the Cannabis Expungement Board
205.33 shall consider:

(1) the nature and severity of the underlying crime, including but not limited to the total amount of marijuana or tetrahydrocannabinols possessed by the person and whether the offense involved a dangerous weapon, the intentional infliction of bodily harm on another, an attempt to inflict bodily harm on another, or an act committed with the intent to cause fear in another of immediate bodily harm or death;

(2) whether an expungement or resentencing the person a lesser offense would increase the risk, if any, the person poses to other individuals or society;

(3) if the person is under sentence, whether an expungement or resentencing to a lesser offense would result in the release of the person and whether release earlier than the date that the person would be released under the sentence currently being served would present a danger to the public or would be compatible with the welfare of society;

(4) aggravating or mitigating factors relating to the underlying crime, including the person's level of participation and the context and circumstances of the underlying crime;

(5) statements from victims and law enforcement, if any;

(6) if an expungement or resentencing the person to a lesser offense is considered, whether there is good cause to restore the person's right to possess firearms and ammunition;

(7) if an expungement is considered, whether an expunged record of a conviction or stay of adjudication may be opened for purposes of a background study under section 245C.08;

(8) if an expungement is considered, whether an expunged record of a conviction or stay of adjudication may be opened for purposes of a background check required under section 122A.18, subdivision 8; and

(9) other factors deemed relevant by the Cannabis Expungement Board.

(g) The affirmative vote of three members is required for action taken at any meeting.

Subd. 7. Notice to judicial branch and offenders. (a) The Cannabis Expungement Board shall identify any conviction or stay of adjudication that qualifies for an order of expungement or resentencing to a lesser offense and notify the judicial branch of:

(1) the name and date of birth of a person whose conviction or stay of adjudication is eligible for an order of expungement or resentencing to a lesser offense;

(2) the case number of the eligible conviction or stay of adjudication;

(3) whether the person is eligible for an expungement;

207.1 (4) if the person is eligible for an expungement, whether the person's conviction should
207.2 be vacated and charges should be dismissed;

207.3 (5) if the person is eligible for an expungement, whether the limitations under section
207.4 609A.03, subdivision 7a, clause (4) or (5), apply; and

207.5 (6) if the person is eligible for resentencing to a lesser offense, the lesser sentence to be
207.6 imposed.

207.7 (b) The Cannabis Expungement Board shall make a reasonable and good faith effort to
207.8 notify any person whose conviction or stay of adjudication qualifies for an order of
207.9 expungement that the offense qualifies and notice is being sent to the judicial branch. Notice
207.10 sent pursuant to this paragraph shall inform the person that, following the order of
207.11 expungement, any records of an arrest, conviction, or incarceration should not appear on
207.12 any background check or study.

207.13 Subd. 8. **Data classification.** All data collected, created, received, maintained, or
207.14 disseminated by the Cannabis Expungement Board in which each victim of a crime and
207.15 person whose conviction or stay of adjudication that the Cannabis Expungement Board
207.16 reviews is or can be identified as the subject of the data is classified as private data on
207.17 individuals, as defined by section 13.02, subdivision 12.

207.18 Subd. 9. **Order of expungement.** (a) Upon receiving notice that an offense qualifies
207.19 for expungement, the court shall issue an order sealing all records relating to an arrest,
207.20 indictment or information, trial, verdict, or dismissal and discharge for an offense described
207.21 in subdivision 1. If the Cannabis Expungement Board determined that the person's conviction
207.22 should be vacated and charges should be dismissed, the order shall vacate and dismiss the
207.23 charges.

207.24 (b) If the Cannabis Expungement Board determined that there is good cause to restore
207.25 the person's right to possess firearms and ammunition, the court shall issue an order pursuant
207.26 to section 609.165, subdivision 1d.

207.27 (c) If the Cannabis Expungement Board determined that an expunged record of a
207.28 conviction or stay of adjudication may not be opened for purposes of a background study
207.29 under section 245C.08, the court shall direct the order specifically to the commissioner of
207.30 human services.

207.31 (d) If the Cannabis Expungement Board determined that an expunged record of a
207.32 conviction or stay of adjudication may not be opened for purposes of a background check

208.1 required under section 122A.18, subdivision 8, the court shall direct the order specifically
208.2 to the Professional Educator Licensing and Standards Board.

208.3 (e) The court administrator shall send a copy of an expungement order issued under this
208.4 section to each agency and jurisdiction whose records are affected by the terms of the order
208.5 and send a letter to the last known address of the person whose offense has been expunged
208.6 identifying each agency to which the order was sent.

208.7 (f) Data on the person whose offense has been expunged in a letter sent under this
208.8 subdivision are private data on individuals as defined in section 13.02.

208.9 Subd. 10. **Resentencing.** (a) If the Cannabis Expungement Board determined that a
208.10 person is eligible for resentencing to a lesser offense and the person is currently under
208.11 sentence, the court shall proceed as if the appellate court directed a reduction of the conviction
208.12 to an offense of lesser degree pursuant to rule 28.02, subdivision 12 of the Rules of Criminal
208.13 Procedure.

208.14 (b) If the Cannabis Expungement Board determined that a person is eligible for
208.15 resentencing to a lesser offense and the person completed or has been discharged from the
208.16 sentence, the court may issue an order amending the conviction to an offense of lesser degree
208.17 without holding a hearing.

208.18 **EFFECTIVE DATE.** This section is effective January 1, 2025.

208.19 Sec. 7. **[609A.07] RESTORATION OF FIREARMS RIGHTS.**

208.20 Any person who is prohibited from possessing a firearm or ammunition based on a prior
208.21 adjudication or conviction for a cannabis-related offense who receives an expungement or
208.22 other relief under section 609A.05 or 609A.06 shall have their right to possess firearms and
208.23 ammunition restored if the person is otherwise eligible to possess the item.

208.24 **ARTICLE 6**

208.25 **MISCELLANEOUS PROVISIONS**

208.26 Section 1. **[3.9224] MEDICAL CANNABIS; COMPACTS TO BE NEGOTIATED.**

208.27 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
208.28 meanings given.

208.29 (b) "Indian Tribe" means a Tribe, band, nation, or other federally recognized group or
208.30 community of Indians located within the geographical boundaries of the state of Minnesota.

209.1 (c) "Medical cannabinoid product" has the meaning given in section 342.01, subdivision
209.2 51.

209.3 (d) "Medical cannabis flower" has the meaning given in section 342.01, subdivision 53.

209.4 Subd. 2. **Negotiations authorized.** Following a public hearing, the governor or the
209.5 governor's designated representatives are authorized to negotiate in good faith a compact
209.6 with an Indian Tribe regulating medical cannabis flower and medical cannabinoid products.
209.7 The attorney general is the legal counsel for the governor or the governor's representatives
209.8 in regard to negotiating a compact under this section. If the governor appoints designees to
209.9 negotiate under this subdivision, the designees must include at least two members of the
209.10 senate and two members of the house of representatives, two of whom must be the chairs
209.11 of the senate and house of representatives standing committees with jurisdiction over health
209.12 policy.

209.13 Subd. 3. **Terms of compact; rights of parties.** (a) A compact agreed to under this
209.14 section may address any issues related to medical cannabis flower and medical cannabinoid
209.15 products that affect the interests of both the state and Indian Tribe or otherwise have an
209.16 impact on Tribal-state relations. At a minimum, a compact agreed to on behalf of the state
209.17 under this section must address:

209.18 (1) the enforcement of criminal and civil laws;

209.19 (2) the regulation of the commercial production, processing, sale or distribution, and
209.20 possession of medical cannabis flower and medical cannabinoid products;

209.21 (3) medical and pharmaceutical research involving medical cannabis flower and medical
209.22 cannabinoid products;

209.23 (4) the taxation of medical cannabis flower and medical cannabinoid products, including
209.24 establishing an appropriate amount and method of revenue sharing;

209.25 (5) the immunities of an Indian Tribe or preemption of state law regarding the production,
209.26 processing, or sale or distribution of medical cannabis flower and medical cannabinoid
209.27 products; and

209.28 (6) the method of resolution for disputes involving the compact, including the use of
209.29 mediation or other alternative dispute resolution processes and procedures.

209.30 (b) In addressing the issues identified under paragraph (a), the governor or the governor's
209.31 designated representatives shall only enter into agreements that:

209.32 (1) provide for the preservation of public health and safety;

210.1 (2) ensure the security of production, processing, retail, and research facilities on Tribal
210.2 land; and

210.3 (3) establish provisions regulating business involving medical cannabis flower and
210.4 medical cannabinoid products that pass between Tribal land and non-Tribal land in the state.

210.5 Subd. 4. **Assessments and charges.** Notwithstanding any law to the contrary, any
210.6 compact agreed to under this section shall establish all taxes, fees, assessments, and other
210.7 charges related to the production, processing, sale or distribution, and possession of medical
210.8 cannabis flower and medical cannabinoid products.

210.9 Subd. 5. **Civil and criminal immunities.** The following acts, when performed by a
210.10 validly licensed medical cannabis retailer or an employee of a medical cannabis retailer
210.11 operated by an Indian Tribe pursuant to a compact entered into under this section, do not
210.12 constitute a criminal or civil offense under state law:

210.13 (1) the cultivation of cannabis flower, as defined in section 342.01, subdivision 15;

210.14 (2) the possession, purchase, and receipt of medical cannabis flower and medical
210.15 cannabinoid products that are properly packaged and labeled as authorized under a compact
210.16 entered into pursuant to this section; and

210.17 (3) the delivery, distribution, and sale of medical cannabis flower and medical cannabinoid
210.18 products as authorized under a compact entered into pursuant to this section and that takes
210.19 place on the premises of a medical cannabis retailer on Tribal land to any person 21 years
210.20 of age or older.

210.21 Subd. 6. **Publication; report.** (a) The governor shall post any compact entered into
210.22 under this section on a publicly accessible website.

210.23 (b) The governor, the attorney general, and the governor's designated representatives
210.24 shall report to the legislative committees having jurisdiction over health, taxation, and
210.25 commerce annually. This report shall contain information on compacts negotiated and an
210.26 outline of prospective negotiations.

210.27 Sec. 2. **[3.9228] ADULT-USE CANNABIS; COMPACTS TO BE NEGOTIATED.**

210.28 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
210.29 meanings given.

210.30 (b) "Indian Tribe" means a Tribe, band, nation, or other federally recognized group or
210.31 community of Indians located within the geographical boundaries of the state of Minnesota.

(c) "Adult-use cannabis product" has the meaning given in section 342.01, subdivision

4.

(d) "Adult-use cannabis flower" has the meaning given in section 342.01, subdivision

3.

Subd. 2. **Negotiations authorized.** Following a public hearing, the governor or the
governor's designated representatives are authorized to negotiate in good faith a compact
with an Indian Tribe regulating adult-use cannabis flower and adult-use cannabis products.
The attorney general is the legal counsel for the governor or the governor's representatives
in regard to negotiating a compact under this section. If the governor appoints designees to
negotiate under this subdivision, the designees must include at least two members of the
senate and two members of the house of representatives, two of whom must be the chairs
of the senate and house of representatives standing committees with jurisdiction over health
policy.

Subd. 3. **Terms of compact; rights of parties.** (a) A compact agreed to under this
section may address any issues related to adult-use cannabis flower and adult-use cannabis
products that affect the interests of both the state and Indian Tribe or otherwise have an
impact on Tribal-state relations. At a minimum, a compact agreed to on behalf of the state
under this section must address:

(1) the enforcement of criminal and civil laws;

(2) the regulation of the commercial production, processing, sale or distribution, and
possession of adult-use cannabis flower and adult-use cannabis products;

(3) medical and pharmaceutical research involving adult-use cannabis flower and
adult-use cannabis products;

(4) the taxation of adult-use cannabis flower and adult-use cannabis products, including
establishing an appropriate amount and method of revenue sharing;

(5) the immunities of an Indian Tribe or preemption of state law regarding the production,
processing, or sale or distribution of adult-use cannabis flower and adult-use cannabis
products; and

(6) the method of resolution for disputes involving the compact, including the use of
mediation or other alternative dispute resolution processes and procedures.

(b) In addressing the issues identified under paragraph (a), the governor or the governor's
designee shall only enter into agreements that:

212.1 (1) provide for the preservation of public health and safety;

212.2 (2) ensure the security of production, processing, retail, and research facilities on Tribal
212.3 land; and

212.4 (3) establish provisions regulating business involving adult-use cannabis flower and
212.5 adult-use cannabis products that pass between Tribal land and non-Tribal land in the state.

212.6 Subd. 4. **Assessments and charges.** Notwithstanding any law to the contrary, any
212.7 compact agreed to under this section shall establish all taxes, fees, assessments, and other
212.8 charges related to the production, processing, sale or distribution, and possession of adult-use
212.9 cannabis flower and adult-use cannabis products.

212.10 Subd. 5. **Civil and criminal immunities.** The following acts, when performed by a
212.11 validly licensed cannabis retailer or an employee of a cannabis retailer operated by an Indian
212.12 Tribe pursuant to a compact entered into under this section, do not constitute a criminal or
212.13 civil offense under state law:

212.14 (1) the cultivation of cannabis flower, as defined in section 342.01, subdivision 15;

212.15 (2) the possession, purchase, and receipt of adult-use cannabis flower and adult-use
212.16 cannabis products that are properly packaged and labeled as authorized under a compact
212.17 entered into pursuant to this section; and

212.18 (3) the delivery, distribution, and sale of adult-use cannabis flower and adult-use cannabis
212.19 products as authorized under a compact entered into pursuant to this section and that takes
212.20 place on the premises of a medical cannabis retailer on Tribal land to any person 21 years
212.21 of age or older.

212.22 Subd. 6. **Publication; report.** (a) The governor shall post any compact entered into
212.23 under this section on a publicly accessible website.

212.24 (b) The governor, the attorney general, and the governor's designee shall report to the
212.25 legislative committees having jurisdiction over health, taxation, and commerce annually.
212.26 This report shall contain information on compacts negotiated and an outline of prospective
212.27 negotiations.

212.28 Sec. 3. Minnesota Statutes 2022, section 13.411, is amended by adding a subdivision to
212.29 read:

212.30 Subd. 12. **Cannabis businesses.** Data submitted to the Office of Cannabis Management
212.31 for a cannabis business license and data relating to investigations and disciplinary proceedings

213.1 involving cannabis businesses licensed by the Office of Cannabis Management are classified
213.2 under section 342.17, subdivision 6.

213.3 Sec. 4. Minnesota Statutes 2022, section 13.871, is amended by adding a subdivision to
213.4 read:

213.5 Subd. 15. **Cannabis Expungement Board records.** Data collected, created, received,
213.6 maintained, or disseminated by the Cannabis Expungement Board are classified under
213.7 section 609A.06, subdivision 8.

213.8 Sec. 5. Minnesota Statutes 2022, section 16B.2975, subdivision 8, is amended to read:

213.9 Subd. 8. **Canine management.** (a) The commissioner may give and convey to a canine's
213.10 handler the state's entirety of the right, title, interest, and estate in and to a canine who is
213.11 retired from service, with whom the handler trained and worked while the canine was in
213.12 service to the state. The handler is solely responsible for all future expenses related to the
213.13 retired canine. The commissioner must allow the handler an opportunity to accept the canine
213.14 before any other placement options are considered.

213.15 (b) If the canine's handler does not accept the canine, the agency with ownership of the
213.16 canine must determine a home where the canine will be safe and well cared for and inform
213.17 the commissioner. The commissioner may give and convey the state's entirety of the right,
213.18 title, interest, and estate in and to a canine who is retired from service to the new owner.
213.19 The new owner is solely responsible for all future expenses related to the retired canine.

213.20 Sec. 6. Minnesota Statutes 2022, section 34A.01, is amended by adding a subdivision to
213.21 read:

213.22 Subd. 4a. **Food.** "Food" means every ingredient used for, entering into the consumption
213.23 of, or used or intended for use in the preparation of food, drink, confectionery, or condiment
213.24 for humans or other animals, whether simple, mixed, or compound; and articles used as
213.25 components of these ingredients, except that edible cannabis products, as defined in section
213.26 342.01, subdivision 29, and lower-potency hemp edibles, as defined in section 342.01,
213.27 subdivision 49, are not food.

213.28 **EFFECTIVE DATE.** This section is effective July 1, 2024.

213.29 Sec. 7. Minnesota Statutes 2022, section 97B.065, subdivision 1, is amended to read:

213.30 Subdivision 1. **Acts prohibited.** (a) A person may not take wild animals with a firearm
213.31 or by archery:

- 214.1 (1) when the person is under the influence of alcohol;
- 214.2 (2) when the person is under the influence of a controlled substance, as defined in section
- 214.3 ~~152.01~~ 169A.03, subdivision ~~4~~ 6;
- 214.4 (3) when the person is under the influence of a combination of any two or more of the
- 214.5 elements in clauses (1) and (2);
- 214.6 (4) when the person's alcohol concentration is 0.08 or more;
- 214.7 (5) when the person's alcohol concentration as measured within two hours of the time
- 214.8 of taking is 0.08 or more; or
- 214.9 (6) when the person is under the influence of an intoxicating substance as defined in
- 214.10 section 169A.03, subdivision 11a, and the person knows or has reason to know that the
- 214.11 substance has the capacity to cause impairment.
- 214.12 (b) An owner or other person having charge or control of a firearm or bow may not
- 214.13 authorize or permit an individual the person knows or has reason to believe is under the
- 214.14 influence of alcohol or a controlled substance, as provided under paragraph (a), to possess
- 214.15 the firearm or bow in this state or on a boundary water of this state.
- 214.16 (c) A person may not possess a loaded or uncased firearm or an uncased bow afield
- 214.17 under any of the conditions in paragraph (a).

214.18 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes

214.19 committed on or after that date.

214.20 Sec. 8. Minnesota Statutes 2022, section 97B.066, is amended by adding a subdivision to

214.21 read:

214.22 **Subd. 12. Definition.** As used in this section, "controlled substance" has the meaning

214.23 given in section 169A.03, subdivision 6.

214.24 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes

214.25 committed on or after that date.

214.26 Sec. 9. **[120B.215] EDUCATION ON CANNABIS USE AND SUBSTANCE USE.**

214.27 **Subdivision 1. Model program.** The commissioner of education, in consultation with

214.28 the commissioners of health and human services, local district and school health education

214.29 specialists, and other qualified experts, shall identify one or more model programs that may

214.30 be used to educate middle school and high school students on the health effects on children

214.31 and adolescents of cannabis use and substance use consistent with local standards as required

215.1 in section 120B.021, subdivision 1, paragraph (a), clause (6), for elementary and secondary
215.2 school students. The commissioner must publish a list of model programs that include
215.3 written materials, curriculum resources, and training for instructors by June 1, 2025. A
215.4 model program identified by the commissioner must be medically accurate, age and
215.5 developmentally appropriate, culturally inclusive, and grounded in science, and must address:

215.6 (1) the physical and mental health effects of cannabis use and substance use by children,
215.7 adolescents, and persons under 25 years of age, including effects on the developing brains
215.8 of children, adolescents, and persons under 25 years of age;

215.9 (2) unsafe or unhealthy behaviors associated with cannabis use and substance use;

215.10 (3) signs of substance use disorders;

215.11 (4) treatment options; and

215.12 (5) healthy coping strategies for children and adolescents.

215.13 Subd. 2. **School programs.** (a) Starting in the 2026-2027 school year, a school district
215.14 or charter school must implement a comprehensive education program on cannabis use and
215.15 substance use for students in middle school and high school. The program must include
215.16 instruction on the topics listed in subdivision 1 and must:

215.17 (1) respect community values and encourage students to communicate with parents,
215.18 guardians, and other trusted adults about cannabis use and substance use; and

215.19 (2) refer students to local resources where students may obtain medically accurate
215.20 information about cannabis use and substance use, and treatment for a substance use disorder.

215.21 (b) District efforts to develop, implement, or improve instruction or curriculum as a
215.22 result of the provisions of this section must be consistent with sections 120B.10 and 120B.11.

215.23 Subd. 3. **Parental review.** Notwithstanding any law to the contrary, each school district
215.24 shall have a procedure for a parent, a guardian, or an adult student 18 years of age or older
215.25 to review the content of the instructional materials to be provided to a minor child or to an
215.26 adult student pursuant to this section. The district or charter school must allow a parent or
215.27 adult student to opt out of instruction under this section with no academic or other penalty
215.28 for the student and must inform parents and adult students of this right to opt out.

215.29 Subd. 4. **Youth council.** A school district or charter school may establish one or more
215.30 youth councils in which student members of the council receive education and training on
215.31 cannabis use and substance use and provide peer-to-peer education on these topics.

216.1 **Sec. 10. [144.196] CANNABIS DATA COLLECTION AND BIENNIAL REPORTS.**

216.2 Subdivision 1. **General.** The commissioner of health shall engage in research and data
216.3 collection activities to measure the prevalence of cannabis flower and cannabis product use
216.4 in the state by persons under 21 years of age and by persons 21 years of age or older, and
216.5 the trends in hospital-treated cannabis poisoning and adverse events. In order to collect data,
216.6 the commissioner may modify existing data collection tools used by the department or other
216.7 state agencies or may establish one or more new data collection tools.

216.8 Subd. 2. **Statewide assessment; baseline data; updates.** (a) The commissioner shall
216.9 conduct a statewide assessment to establish a baseline for the prevalence of cannabis flower
216.10 and cannabis product use in the state, and the trends in hospital-treated cannabis poisoning
216.11 and adverse events broken out by:

216.12 (1) the current age of the customer;

216.13 (2) the age at which the customer began consuming cannabis flower or cannabis products;

216.14 (3) whether the customer consumes cannabis flower or cannabis products, and by type
216.15 of cannabis product that the customer consumes, if applicable;

216.16 (4) the amount of cannabis flower or cannabis product typically consumed at one time;

216.17 (5) the typical frequency of consumption; and

216.18 (6) other criteria specified by the commissioner.

216.19 (b) The initial assessment must be completed by July 1, 2024. The commissioner shall
216.20 collect updated data under this subdivision at least every two years thereafter.

216.21 Subd. 3. **Reports.** Beginning January 1, 2025, and every two years thereafter, the
216.22 commissioner shall issue a public report on the prevalence of cannabis flower use and the
216.23 use of cannabis products in the state by persons under age 21 and by persons age 21 or
216.24 older, and the trends in hospital-treated cannabis poisoning and adverse events. The report
216.25 may include recommendations from the commissioner for changes to this chapter that would
216.26 discourage or prevent personal use of cannabis flower or cannabis products by persons
216.27 under age 21, that would discourage personal use of cannabis flower or cannabis products
216.28 by pregnant or breastfeeding individuals, that would prevent access to cannabis flower or
216.29 cannabis products by young children, or that would otherwise promote public health.

216.30 **Sec. 11. [144.197] CANNABIS EDUCATION PROGRAMS.**

216.31 Subdivision 1. **Youth education.** The commissioner of health, in collaboration with
216.32 local health departments, shall conduct a long-term, coordinated education program to raise

217.1 public awareness about and address the top three adverse health effects, as determined by
217.2 the commissioner, associated with the use of cannabis flower or cannabis products by persons
217.3 under age 25. In conducting this education program, the commissioner shall engage and
217.4 consult with youth around the state on program content and on methods to effectively
217.5 disseminate program information to youth around the state.

217.6 Subd. 2. **Education for pregnant and breastfeeding individuals; individuals who**
217.7 **may become pregnant.** The commissioner of health, in consultation with the commissioners
217.8 of human services and education, shall conduct a long-term, coordinated program to educate
217.9 pregnant individuals, breastfeeding individuals, and individuals who may become pregnant
217.10 on the adverse health effects of prenatal exposure to cannabis flower or cannabis products
217.11 and on the adverse health effects experienced by infants and children who are exposed to
217.12 cannabis flower or cannabis products in breast milk, from secondhand smoke, or by ingesting
217.13 cannabis products. This education program must also educate individuals on what constitutes
217.14 a substance use disorder, signs of a substance use disorder, and treatment options for persons
217.15 with a substance use disorder.

217.16 Subd. 3. **Home visiting programs.** The commissioner of health shall provide training,
217.17 technical assistance, and education materials to local public health home visiting programs,
217.18 Tribal home visiting programs, and child welfare workers regarding the safe and unsafe use
217.19 of cannabis flower or cannabis products in homes with infants and young children. Training,
217.20 technical assistance, and education materials shall address substance use, the signs of a
217.21 substance use disorder, treatment options for persons with a substance use disorder, the
217.22 dangers of driving under the influence of cannabis flower or cannabis products, how to
217.23 safely consume cannabis flower or cannabis products in homes with infants and young
217.24 children, and how to prevent infants and young children from being exposed to cannabis
217.25 flower or cannabis products by ingesting cannabis products or through secondhand smoke.

217.26 Subd. 4. **Local and Tribal health departments.** The commissioner of health shall
217.27 distribute grants to local health departments and Tribal health departments for these
217.28 departments to create and disseminate educational materials on cannabis flower and cannabis
217.29 products and to provide safe use and prevention training, education, technical assistance,
217.30 and community engagement regarding cannabis flower and cannabis products.

217.31 Sec. 12. Minnesota Statutes 2022, section 169A.03, subdivision 6, is amended to read:

217.32 Subd. 6. **Controlled substance.** "Controlled substance" has the meaning given in section
217.33 152.01, subdivision 4. The term also includes hemp as defined in section 152.22, subdivision
217.34 5a.

218.1 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
218.2 committed on or after that date. This section expires January 1, 2024.

218.3 Sec. 13. Minnesota Statutes 2022, section 175.45, subdivision 1, is amended to read:

218.4 Subdivision 1. **Duties; goal.** The commissioner of labor and industry shall convene
218.5 industry representatives, identify occupational competency standards, and provide technical
218.6 assistance to develop dual-training programs. The competency standards shall be identified
218.7 for employment in occupations in advanced manufacturing, health care services, information
218.8 technology, ~~and agriculture,~~ and the legal cannabis industry. Competency standards are not
218.9 rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in
218.10 section 14.386 concerning exempt rules do not apply.

218.11 Sec. 14. Minnesota Statutes 2022, section 181.938, subdivision 2, is amended to read:

218.12 Subd. 2. **Prohibited practice.** (a) An employer may not refuse to hire a job applicant
218.13 or discipline or discharge an employee because the applicant or employee engages in or has
218.14 engaged in the use or enjoyment of lawful consumable products, if the use or enjoyment
218.15 takes place off the premises of the employer during nonworking hours. For purposes of this
218.16 section, "lawful consumable products" means products whose use or enjoyment is lawful
218.17 and which are consumed during use or enjoyment, and includes food, alcoholic or
218.18 nonalcoholic beverages, ~~and tobacco,~~ cannabis flower, as defined in section 342.01,
218.19 subdivision 15, and cannabis products, as defined in section 342.01, subdivision 19.

218.20 (b) Cannabis flower and cannabis products are lawful consumable products for the
218.21 purpose of Minnesota law, regardless of whether federal or other state law considers cannabis
218.22 use, possession, impairment, sale, or transfer to be unlawful. Nothing in this section shall
218.23 be construed to limit an employer's ability to discipline or discharge an employee for cannabis
218.24 flower or cannabis product use, possession, impairment, sale, or transfer during working
218.25 hours, on work premises, or while operating an employer's vehicle, machinery, or equipment,
218.26 or if a failure to do so would violate federal or state law or regulations or cause an employer
218.27 to lose a monetary or licensing-related benefit under federal law or regulations.

218.28 Sec. 15. Minnesota Statutes 2022, section 181.950, subdivision 2, is amended to read:

218.29 Subd. 2. **Confirmatory test; confirmatory retest.** "Confirmatory test" and "confirmatory
218.30 retest" mean a drug or alcohol test or cannabis test that uses a method of analysis allowed
218.31 under one of the programs listed in section 181.953, subdivision 1.

219.1 Sec. 16. Minnesota Statutes 2022, section 181.950, subdivision 4, is amended to read:

219.2 Subd. 4. **Drug.** "Drug" means a controlled substance as defined in section 152.01,
219.3 subdivision 4, but does not include marijuana, tetrahydrocannabinols, cannabis flower as
219.4 defined in section 342.01, subdivision 15, or cannabis products as defined in section 342.01,
219.5 subdivision 19.

219.6 Sec. 17. Minnesota Statutes 2022, section 181.950, subdivision 5, is amended to read:

219.7 Subd. 5. **Drug and alcohol testing.** "Drug and alcohol testing," "drug or alcohol testing,"
219.8 and "drug or alcohol test" mean analysis of a body component sample according to the
219.9 standards established under one of the programs listed in section 181.953, subdivision 1,
219.10 for the purpose of measuring the presence or absence of drugs, alcohol, or their metabolites
219.11 in the sample tested. "Drug and alcohol testing," "drug or alcohol testing," and "drug or
219.12 alcohol test" do not include cannabis or cannabis testing, unless stated otherwise.

219.13 Sec. 18. Minnesota Statutes 2022, section 181.950, is amended by adding a subdivision
219.14 to read:

219.15 Subd. 5a. **Cannabis testing.** "Cannabis testing" means the analysis of a body component
219.16 sample according to the standards established under one of the programs listed in section
219.17 181.953, subdivision 1, for the purpose of measuring the presence or absence of cannabis
219.18 flower, as defined in section 342.01, subdivision 15, cannabis products, as defined in section
219.19 342.01, subdivision 19, or cannabis metabolites in the sample tested. The definitions in this
219.20 section apply to cannabis testing unless stated otherwise.

219.21 Sec. 19. Minnesota Statutes 2022, section 181.950, subdivision 8, is amended to read:

219.22 Subd. 8. **Initial screening test.** "Initial screening test" means a drug or alcohol test or
219.23 cannabis test which uses a method of analysis under one of the programs listed in section
219.24 181.953, subdivision 1.

219.25 Sec. 20. Minnesota Statutes 2022, section 181.950, subdivision 13, is amended to read:

219.26 Subd. 13. **Safety-sensitive position.** "Safety-sensitive position" means a job, including
219.27 any supervisory or management position, in which an impairment caused by drug ~~or~~ alcohol,
219.28 or cannabis usage would threaten the health or safety of any person.

220.1 Sec. 21. Minnesota Statutes 2022, section 181.951, subdivision 4, is amended to read:

220.2 Subd. 4. **Random testing.** An employer may request or require employees to undergo
220.3 cannabis testing or drug and alcohol testing on a random selection basis only if (1) they are
220.4 employed in safety-sensitive positions, or (2) they are employed as professional athletes if
220.5 the professional athlete is subject to a collective bargaining agreement permitting random
220.6 testing but only to the extent consistent with the collective bargaining agreement.

220.7 Sec. 22. Minnesota Statutes 2022, section 181.951, is amended by adding a subdivision
220.8 to read:

220.9 Subd. 8. **Limitations on cannabis testing.** (a) An employer must not request or require
220.10 a job applicant to undergo cannabis testing solely for the purpose of determining the presence
220.11 or absence of cannabis as a condition of employment unless otherwise required by state or
220.12 federal law.

220.13 (b) Unless otherwise required by state or federal law, an employer must not refuse to
220.14 hire a job applicant solely because the job applicant submits to a cannabis test authorized
220.15 by this section and the results of the test indicate the presence of cannabis.

220.16 (c) An employer must not request or require an employee or job applicant to undergo
220.17 cannabis testing on an arbitrary or capricious basis.

220.18 (d) An employer may request or require an employee to undergo cannabis testing
220.19 conducted by a testing laboratory that participates in one of the programs listed in section
220.20 181.953, subdivision 1, if the employer has a reasonable suspicion that while the employee
220.21 is working or while the employee is on the employer's premises or operating the employer's
220.22 vehicle, machinery, or equipment, the employee:

220.23 (1) as the result of consuming cannabis flower or a cannabis product, does not possess
220.24 that clearness of intellect and control of self that the employee otherwise would have;

220.25 (2) has violated the employer's written work rules prohibiting cannabis use, possession,
220.26 impairment, sale, or transfer, provided that the work rules for cannabis and cannabis testing
220.27 are in writing and in a written policy that contains the minimum information required in
220.28 section 181.952; or

220.29 (3) has sustained a personal injury or has caused a work-related accident as provided
220.30 in subdivision 5, clauses (3) and (4).

220.31 (e) Cannabis testing authorized under paragraph (d) must comply with the safeguards
220.32 for testing employees provided in sections 181.953 and 181.954.

221.1 Sec. 23. Minnesota Statutes 2022, section 181.951, is amended by adding a subdivision
221.2 to read:

221.3 Subd. 9. **Cannabis testing exceptions.** For the following positions, cannabis and its
221.4 metabolites are considered a drug and subject to the drug and alcohol testing provisions in
221.5 sections 181.950 to 181.957:

221.6 (1) a safety-sensitive position, as defined in section 181.950, subdivision 13;

221.7 (2) a peace officer position, as defined in section 626.84, subdivision 1;

221.8 (3) a firefighter position, as defined in section 299N.01, subdivision 3;

221.9 (4) a position requiring face-to-face care, training, education, supervision, counseling,
221.10 consultation, or medical assistance to:

221.11 (i) children;

221.12 (ii) vulnerable adults, as defined in section 626.5572, subdivision 21; or

221.13 (iii) patients who receive health care services from a provider for the treatment,
221.14 examination, or emergency care of a medical, psychiatric, or mental condition;

221.15 (5) a position requiring a commercial driver's license or requiring an employee to operate
221.16 a motor vehicle for which state or federal law requires drug or alcohol testing of a job
221.17 applicant or an employee;

221.18 (6) a position of employment funded by a federal grant; or

221.19 (7) any other position for which state or federal law requires testing of a job applicant
221.20 or an employee for cannabis.

221.21 Sec. 24. Minnesota Statutes 2022, section 181.952, is amended by adding a subdivision
221.22 to read:

221.23 Subd. 3. **Cannabis policy.** (a) Unless otherwise provided by state or federal law, an
221.24 employer is not required to permit or accommodate cannabis flower or cannabis product
221.25 use, possession, impairment, sale, or transfer while an employee is working or while an
221.26 employee is on the employer's premises or operating the employer's vehicle, machinery, or
221.27 equipment.

221.28 (b) An employer may only enact and enforce written work rules prohibiting cannabis
221.29 flower and cannabis product use, possession, impairment, sale, or transfer while an employee
221.30 is working or while an employee is on the employer's premises or operating the employer's

222.1 vehicle, machinery, or equipment in a written policy that contains the minimum information
222.2 required by this section.

222.3 Sec. 25. Minnesota Statutes 2022, section 181.953, is amended to read:

222.4 **181.953 RELIABILITY AND FAIRNESS SAFEGUARDS.**

222.5 Subdivision 1. **Use of licensed, accredited, or certified laboratory required.** (a) An
222.6 employer who requests or requires an employee or job applicant to undergo drug or alcohol
222.7 testing or cannabis testing shall use the services of a testing laboratory that meets one of
222.8 the following criteria for drug testing:

222.9 (1) is certified by the National Institute on Drug Abuse as meeting the mandatory
222.10 guidelines published at 53 Federal Register 11970 to 11989, April 11, 1988;

222.11 (2) is accredited by the College of American Pathologists, 325 Waukegan Road,
222.12 Northfield, Illinois, 60093-2750, under the forensic urine drug testing laboratory program;
222.13 or

222.14 (3) is licensed to test for drugs by the state of New York, Department of Health, under
222.15 Public Health Law, article 5, title V, and rules adopted under that law.

222.16 (b) For alcohol testing, the laboratory must either be:

222.17 (1) licensed to test for drugs and alcohol by the state of New York, Department of Health,
222.18 under Public Health Law, article 5, title V, and the rules adopted under that law; or

222.19 (2) accredited by the College of American Pathologists, 325 Waukegan Road, Northfield,
222.20 Illinois, 60093-2750, in the laboratory accreditation program.

222.21 Subd. 3. **Laboratory testing, reporting, and sample retention requirements.** A testing
222.22 laboratory that is not certified by the National Institute on Drug Abuse according to
222.23 subdivision 1 shall follow the chain-of-custody procedures prescribed for employers in
222.24 subdivision 5. A testing laboratory shall conduct a confirmatory test on all samples that
222.25 produced a positive test result on an initial screening test. A laboratory shall disclose to the
222.26 employer a written test result report for each sample tested within three working days after
222.27 a negative test result on an initial screening test or, when the initial screening test produced
222.28 a positive test result, within three working days after a confirmatory test. A test report must
222.29 indicate the drugs, alcohol, ~~or~~ drug or alcohol metabolites, or cannabis or cannabis
222.30 metabolites tested for and whether the test produced negative or positive test results. A
222.31 laboratory shall retain and properly store for at least six months all samples that produced
222.32 a positive test result.

223.1 Subd. 4. **Prohibitions on employers.** An employer may not conduct drug or alcohol
223.2 testing or cannabis testing of its own employees and job applicants using a testing laboratory
223.3 owned and operated by the employer; except that, one agency of the state may test the
223.4 employees of another agency of the state. Except as provided in subdivision 9, an employer
223.5 may not request or require an employee or job applicant to contribute to, or pay the cost of,
223.6 drug or alcohol testing or cannabis testing under sections 181.950 to 181.954.

223.7 Subd. 5. **Employer chain-of-custody procedures.** An employer shall establish its own
223.8 reliable chain-of-custody procedures to ensure proper record keeping, handling, labeling,
223.9 and identification of the samples to be tested. The procedures must require the following:

223.10 (1) possession of a sample must be traceable to the employee from whom the sample is
223.11 collected, from the time the sample is collected through the time the sample is delivered to
223.12 the laboratory;

223.13 (2) the sample must always be in the possession of, must always be in view of, or must
223.14 be placed in a secured area by a person authorized to handle the sample;

223.15 (3) a sample must be accompanied by a written chain-of-custody record; and

223.16 (4) individuals relinquishing or accepting possession of the sample must record the time
223.17 the possession of the sample was transferred and must sign and date the chain-of-custody
223.18 record at the time of transfer.

223.19 Subd. 6. **Rights of employees and job applicants.** (a) Before requesting an employee
223.20 or job applicant to undergo drug or alcohol testing or requesting cannabis testing, an employer
223.21 shall provide the employee or job applicant with a form, developed by the employer, on
223.22 which to acknowledge that the employee or job applicant has seen the employer's drug and
223.23 alcohol testing or cannabis testing policy.

223.24 (b) If an employee or job applicant tests positive for drug use, the employee must be
223.25 given written notice of the right to explain the positive test and the employer may request
223.26 that the employee or job applicant indicate any over-the-counter or prescription medication
223.27 that the individual is currently taking or has recently taken and any other information relevant
223.28 to the reliability of, or explanation for, a positive test result.

223.29 (c) Within three working days after notice of a positive test result on a confirmatory test,
223.30 the employee or job applicant may submit information to the employer, in addition to any
223.31 information already submitted under paragraph (b), to explain that result, or may request a
223.32 confirmatory retest of the original sample at the employee's or job applicant's own expense
223.33 as provided under subdivision 9.

224.1 Subd. 7. **Notice of test results.** Within three working days after receipt of a test result
224.2 report from the testing laboratory, an employer shall inform in writing an employee or job
224.3 applicant who has undergone drug or alcohol testing or cannabis testing of (1) a negative
224.4 test result on an initial screening test or of a negative or positive test result on a confirmatory
224.5 test and (2) the right provided in subdivision 8. In the case of a positive test result on a
224.6 confirmatory test, the employer shall also, at the time of this notice, inform the employee
224.7 or job applicant in writing of the rights provided in subdivisions 6, paragraph (b), 9, and
224.8 either subdivision 10 or 11, whichever applies.

224.9 Subd. 8. **Right to test result report.** An employee or job applicant has the right to
224.10 request and receive from the employer a copy of the test result report on any drug or alcohol
224.11 test or cannabis test.

224.12 Subd. 9. **Confirmatory retests.** An employee or job applicant may request a confirmatory
224.13 retest of the original sample at the employee's or job applicant's own expense after notice
224.14 of a positive test result on a confirmatory test. Within five working days after notice of the
224.15 confirmatory test result, the employee or job applicant shall notify the employer in writing
224.16 of the employee's or job applicant's intention to obtain a confirmatory retest. Within three
224.17 working days after receipt of the notice, the employer shall notify the original testing
224.18 laboratory that the employee or job applicant has requested the laboratory to conduct the
224.19 confirmatory retest or transfer the sample to another laboratory licensed under subdivision
224.20 1 to conduct the confirmatory retest. The original testing laboratory shall ensure that the
224.21 chain-of-custody procedures in subdivision 3 are followed during transfer of the sample to
224.22 the other laboratory. The confirmatory retest must use the same drug ~~or~~, alcohol, or cannabis
224.23 threshold detection levels as used in the original confirmatory test. If the confirmatory retest
224.24 does not confirm the original positive test result, no adverse personnel action based on the
224.25 original confirmatory test may be taken against the employee or job applicant.

224.26 Subd. 10. **Limitations on employee discharge, discipline, or discrimination.** (a) An
224.27 employer may not discharge, discipline, discriminate against, or request or require
224.28 rehabilitation of an employee on the basis of a positive test result from an initial screening
224.29 test that has not been verified by a confirmatory test.

224.30 (b) In addition to the limitation under paragraph (a), an employer may not discharge an
224.31 employee for whom a positive test result on a confirmatory test was the first such result for
224.32 the employee on a drug or alcohol test or cannabis test requested by the employer unless
224.33 the following conditions have been met:

225.1 (1) the employer has first given the employee an opportunity to participate in, at the
225.2 employee's own expense or pursuant to coverage under an employee benefit plan, either a
225.3 drug ~~or~~, alcohol, or cannabis counseling or rehabilitation program, whichever is more
225.4 appropriate, as determined by the employer after consultation with a certified chemical use
225.5 counselor or a physician trained in the diagnosis and treatment of substance use disorder;
225.6 and

225.7 (2) the employee has either refused to participate in the counseling or rehabilitation
225.8 program or has failed to successfully complete the program, as evidenced by withdrawal
225.9 from the program before its completion or by a positive test result on a confirmatory test
225.10 after completion of the program.

225.11 (c) Notwithstanding paragraph (a), an employer may temporarily suspend the tested
225.12 employee or transfer that employee to another position at the same rate of pay pending the
225.13 outcome of the confirmatory test and, if requested, the confirmatory retest, provided the
225.14 employer believes that it is reasonably necessary to protect the health or safety of the
225.15 employee, coemployees, or the public. An employee who has been suspended without pay
225.16 must be reinstated with back pay if the outcome of the confirmatory test or requested
225.17 confirmatory retest is negative.

225.18 (d) An employer may not discharge, discipline, discriminate against, or request or require
225.19 rehabilitation of an employee on the basis of medical history information revealed to the
225.20 employer pursuant to subdivision 6 unless the employee was under an affirmative duty to
225.21 provide the information before, upon, or after hire.

225.22 (e) An employee must be given access to information in the employee's personnel file
225.23 relating to positive test result reports and other information acquired in the drug and alcohol
225.24 testing process or cannabis testing process and conclusions drawn from and actions taken
225.25 based on the reports or other acquired information.

225.26 Subd. 10a. **Additional limitations for cannabis.** An employer may discipline, discharge,
225.27 or take other adverse personnel action against an employee for cannabis flower or cannabis
225.28 product use, possession, impairment, sale, or transfer while an employee is working, on the
225.29 employer's premises, or operating the employer's vehicle, machinery, or equipment as
225.30 follows:

225.31 (1) if, as the result of consuming cannabis flower or a cannabis product, the employee
225.32 does not possess that clearness of intellect and control of self that the employee otherwise
225.33 would have;

226.1 (2) if cannabis testing that the employer requested or required pursuant to section 181.951,
226.2 subdivision 8, paragraphs (d) and (e), verifies the presence of cannabis following a
226.3 confirmatory test;

226.4 (3) as provided in the employer's written work rules for cannabis and cannabis testing,
226.5 provided that the rules are in writing and in a written policy that contains the minimum
226.6 information required by section 181.952; or

226.7 (4) as otherwise authorized under state or federal law.

226.8 Subd. 11. **Limitation on withdrawal of job offer.** If a job applicant has received a job
226.9 offer made contingent on the applicant passing drug and alcohol testing, the employer may
226.10 not withdraw the offer based on a positive test result from an initial screening test that has
226.11 not been verified by a confirmatory test.

226.12 Sec. 26. Minnesota Statutes 2022, section 181.954, is amended to read:

226.13 **181.954 PRIVACY, CONFIDENTIALITY, AND PRIVILEGE SAFEGUARDS.**

226.14 Subdivision 1. **Privacy limitations.** A laboratory may only disclose to the employer test
226.15 result data regarding the presence or absence of drugs, alcohol, or their metabolites in a
226.16 sample tested.

226.17 Subd. 2. **Confidentiality limitations.** Test result reports and other information acquired
226.18 in the drug or alcohol testing or cannabis testing process are, with respect to private sector
226.19 employees and job applicants, private and confidential information, and, with respect to
226.20 public sector employees and job applicants, private data on individuals as that phrase is
226.21 defined in chapter 13, and may not be disclosed by an employer or laboratory to another
226.22 employer or to a third-party individual, governmental agency, or private organization without
226.23 the written consent of the employee or job applicant tested.

226.24 Subd. 3. **Exceptions to privacy and confidentiality disclosure**
226.25 **limitations.** Notwithstanding subdivisions 1 and 2, evidence of a positive test result on a
226.26 confirmatory test may be: (1) used in an arbitration proceeding pursuant to a collective
226.27 bargaining agreement, an administrative hearing under chapter 43A or other applicable state
226.28 or local law, or a judicial proceeding, provided that information is relevant to the hearing
226.29 or proceeding; (2) disclosed to any federal agency or other unit of the United States
226.30 government as required under federal law, regulation, or order, or in accordance with
226.31 compliance requirements of a federal government contract; and (3) disclosed to a substance
226.32 abuse treatment facility for the purpose of evaluation or treatment of the employee.

227.1 Subd. 4. **Privilege.** Positive test results from an employer drug or alcohol testing or
227.2 cannabis testing program may not be used as evidence in a criminal action against the
227.3 employee or job applicant tested.

227.4 Sec. 27. Minnesota Statutes 2022, section 181.955, is amended to read:

227.5 **181.955 CONSTRUCTION.**

227.6 Subdivision 1. **Freedom to collectively bargain.** Sections 181.950 to 181.954 shall not
227.7 be construed to limit the parties to a collective bargaining agreement from bargaining and
227.8 agreeing with respect to a drug and alcohol testing or a cannabis testing policy that meets
227.9 or exceeds, and does not otherwise conflict with, the minimum standards and requirements
227.10 for employee protection provided in those sections.

227.11 Subd. 2. **Employee protections under existing collective bargaining**
227.12 **agreements.** Sections 181.950 to 181.954 shall not be construed to interfere with or diminish
227.13 any employee protections relating to drug and alcohol testing or cannabis testing already
227.14 provided under collective bargaining agreements in effect on the effective date of those
227.15 sections that exceed the minimum standards and requirements for employee protection
227.16 provided in those sections.

227.17 Subd. 3. **Professional athletes.** Sections 181.950 to 181.954 shall not be construed to
227.18 interfere with the operation of a drug and alcohol testing or cannabis testing program if:

227.19 (1) the drug and alcohol testing program is permitted under a contract between the
227.20 employer and employees; and

227.21 (2) the covered employees are employed as professional athletes.

227.22 Upon request of the commissioner of labor and industry, the exclusive representative
227.23 of the employees and the employer shall certify to the commissioner of labor and industry
227.24 that the drug and alcohol testing or cannabis testing program permitted under the contract
227.25 should operate without interference from the sections specified in this subdivision. This
227.26 subdivision must not be construed to create an exemption from controlled substance crimes
227.27 in chapter 152.

227.28 Sec. 28. Minnesota Statutes 2022, section 181.957, subdivision 1, is amended to read:

227.29 Subdivision 1. **Excluded employees and job applicants.** Except as provided under
227.30 subdivision 2, the employee and job applicant protections provided under sections 181.950
227.31 to 181.956 do not apply to employees and job applicants where the specific work performed

228.1 requires those employees and job applicants to be subject to drug and alcohol testing or
228.2 cannabis testing pursuant to:

228.3 (1) federal regulations that specifically preempt state regulation of drug and alcohol
228.4 testing or cannabis testing with respect to those employees and job applicants;

228.5 (2) federal regulations or requirements necessary to operate federally regulated facilities;

228.6 (3) federal contracts where the drug and alcohol testing or cannabis testing is conducted
228.7 for security, safety, or protection of sensitive or proprietary data; or

228.8 (4) state agency rules that adopt federal regulations applicable to the interstate component
228.9 of a federally regulated industry, and the adoption of those rules is for the purpose of
228.10 conforming the nonfederally regulated intrastate component of the industry to identical
228.11 regulation.

228.12 Sec. 29. Minnesota Statutes 2022, section 192A.555, is amended to read:

228.13 **192A.555 DRIVING WHILE UNDER THE INFLUENCE OR RECKLESS**
228.14 **DRIVING.**

228.15 Any person subject to this code who drives, operates or is in physical control of any
228.16 motor vehicle or aircraft while under the influence of an alcoholic beverage or controlled
228.17 substance as defined in section 169A.03, subdivision 6, or a combination thereof or whose
228.18 blood contains 0.08 percent or more by weight of alcohol or who operates said motor vehicle
228.19 or aircraft in a reckless or wanton manner, shall be punished as a court-martial may direct.

228.20 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
228.21 committed on or after that date.

228.22 Sec. 30. Minnesota Statutes 2022, section 245C.08, subdivision 1, is amended to read:

228.23 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)
228.24 For a background study conducted by the Department of Human Services, the commissioner
228.25 shall review:

228.26 (1) information related to names of substantiated perpetrators of maltreatment of
228.27 vulnerable adults that has been received by the commissioner as required under section
228.28 626.557, subdivision 9c, paragraph (j);

228.29 (2) the commissioner's records relating to the maltreatment of minors in licensed
228.30 programs, and from findings of maltreatment of minors as indicated through the social
228.31 service information system;

229.1 (3) information from juvenile courts as required in subdivision 4 for individuals listed
229.2 in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;

229.3 (4) information from the Bureau of Criminal Apprehension, including information
229.4 regarding a background study subject's registration in Minnesota as a predatory offender
229.5 under section 243.166;

229.6 (5) except as provided in clause (6), information received as a result of submission of
229.7 fingerprints for a national criminal history record check, as defined in section 245C.02,
229.8 subdivision 13c, when the commissioner has reasonable cause for a national criminal history
229.9 record check as defined under section 245C.02, subdivision 15a, or as required under section
229.10 144.057, subdivision 1, clause (2);

229.11 (6) for a background study related to a child foster family setting application for licensure,
229.12 foster residence settings, children's residential facilities, a transfer of permanent legal and
229.13 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a
229.14 background study required for family child care, certified license-exempt child care, child
229.15 care centers, and legal nonlicensed child care authorized under chapter 119B, the
229.16 commissioner shall also review:

229.17 (i) information from the child abuse and neglect registry for any state in which the
229.18 background study subject has resided for the past five years;

229.19 (ii) when the background study subject is 18 years of age or older, or a minor under
229.20 section 245C.05, subdivision 5a, paragraph (c), information received following submission
229.21 of fingerprints for a national criminal history record check; and

229.22 (iii) when the background study subject is 18 years of age or older or a minor under
229.23 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified
229.24 license-exempt child care, licensed child care centers, and legal nonlicensed child care
229.25 authorized under chapter 119B, information obtained using non-fingerprint-based data
229.26 including information from the criminal and sex offender registries for any state in which
229.27 the background study subject resided for the past five years and information from the national
229.28 crime information database and the national sex offender registry; and

229.29 (7) for a background study required for family child care, certified license-exempt child
229.30 care centers, licensed child care centers, and legal nonlicensed child care authorized under
229.31 chapter 119B, the background study shall also include, to the extent practicable, a name
229.32 and date-of-birth search of the National Sex Offender Public website.

(b) Except as otherwise provided in this paragraph, notwithstanding expungement by a court, the commissioner may consider information obtained under paragraph (a), clauses (3) and (4), unless the commissioner received notice of the petition for expungement and the court order for expungement is directed specifically to the commissioner. The commissioner may not consider information obtained under paragraph (a), clauses (3) and (4), or from any other source that identifies a violation of chapter 152 without determining if the offense involved the possession of marijuana or tetrahydrocannabinol and, if so, whether the person received a grant of expungement or order of expungement, or the person was resentenced to a lesser offense. If the person received a grant of expungement or order of expungement, the commissioner may not consider information related to that violation but may consider any other relevant information arising out of the same incident.

(c) The commissioner shall also review criminal case information received according to section 245C.04, subdivision 4a, from the Minnesota court information system that relates to individuals who have already been studied under this chapter and who remain affiliated with the agency that initiated the background study.

(d) When the commissioner has reasonable cause to believe that the identity of a background study subject is uncertain, the commissioner may require the subject to provide a set of classifiable fingerprints for purposes of completing a fingerprint-based record check with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph shall not be saved by the commissioner after they have been used to verify the identity of the background study subject against the particular criminal record in question.

(e) The commissioner may inform the entity that initiated a background study under NETStudy 2.0 of the status of processing of the subject's fingerprints.

Sec. 31. Minnesota Statutes 2022, section 256.01, subdivision 18c, is amended to read:

Subd. 18c. **Drug convictions.** (a) The state court administrator shall provide a report every six months by electronic means to the commissioner of human services, including the name, address, date of birth, and, if available, driver's license or state identification card number, date of the sentence, effective date of the sentence, and county in which the conviction occurred, of each person convicted of a felony under chapter 152, except for convictions under section 152.0263 or 152.0264, during the previous six months.

(b) The commissioner shall determine whether the individuals who are the subject of the data reported under paragraph (a) are receiving public assistance under chapter 256D or 256J, and if ~~the~~ an individual is receiving assistance under chapter 256D or 256J, the

231.1 commissioner shall instruct the county to proceed under section 256D.024 or 256J.26,
231.2 whichever is applicable, for this individual.

231.3 (c) The commissioner shall not retain any data received under paragraph (a) ~~or (d)~~ that
231.4 does not relate to an individual receiving publicly funded assistance under chapter 256D or
231.5 256J.

231.6 ~~(d) In addition to the routine data transfer under paragraph (a), the state court~~
231.7 ~~administrator shall provide a onetime report of the data fields under paragraph (a) for~~
231.8 ~~individuals with a felony drug conviction under chapter 152 dated from July 1, 1997, until~~
231.9 ~~the date of the data transfer. The commissioner shall perform the tasks identified under~~
231.10 ~~paragraph (b) related to this data and shall retain the data according to paragraph (c).~~

231.11 Sec. 32. Minnesota Statutes 2022, section 256B.0625, subdivision 13d, is amended to
231.12 read:

231.13 Subd. 13d. **Drug formulary.** (a) The commissioner shall establish a drug formulary. Its
231.14 establishment and publication shall not be subject to the requirements of the Administrative
231.15 Procedure Act, but the Formulary Committee shall review and comment on the formulary
231.16 contents.

231.17 (b) The formulary shall not include:

231.18 (1) drugs, active pharmaceutical ingredients, or products for which there is no federal
231.19 funding;

231.20 (2) over-the-counter drugs, except as provided in subdivision 13;

231.21 (3) drugs or active pharmaceutical ingredients when used for the treatment of impotence
231.22 or erectile dysfunction;

231.23 (4) drugs or active pharmaceutical ingredients for which medical value has not been
231.24 established;

231.25 (5) drugs from manufacturers who have not signed a rebate agreement with the
231.26 Department of Health and Human Services pursuant to section 1927 of title XIX of the
231.27 Social Security Act; and

231.28 (6) medical cannabis flower as defined in section ~~152.22, subdivision 6~~ 342.01,
231.29 subdivision 53, or medical cannabinoid products as defined in section 342.01, subdivision
231.30 51.

231.31 (c) If a single-source drug used by at least two percent of the fee-for-service medical
231.32 assistance recipients is removed from the formulary due to the failure of the manufacturer

232.1 to sign a rebate agreement with the Department of Health and Human Services, the
232.2 commissioner shall notify prescribing practitioners within 30 days of receiving notification
232.3 from the Centers for Medicare and Medicaid Services (CMS) that a rebate agreement was
232.4 not signed.

232.5 Sec. 33. Minnesota Statutes 2022, section 256D.024, subdivision 1, is amended to read:

232.6 Subdivision 1. **Person convicted of drug offenses.** (a) If an applicant or recipient has
232.7 been convicted of a drug offense after July 1, 1997, except for convictions related to cannabis,
232.8 marijuana, or tetrahydrocannabinols, the assistance unit is ineligible for benefits under this
232.9 chapter until five years after the applicant has completed terms of the court-ordered sentence,
232.10 unless the person is participating in a drug treatment program, has successfully completed
232.11 a drug treatment program, or has been assessed by the county and determined not to be in
232.12 need of a drug treatment program. Persons subject to the limitations of this subdivision who
232.13 become eligible for assistance under this chapter shall be subject to random drug testing as
232.14 a condition of continued eligibility and shall lose eligibility for benefits for five years
232.15 beginning the month following:

232.16 (1) any positive test result for an illegal controlled substance under chapter 152; or

232.17 (2) discharge of sentence after conviction for another drug felony.

232.18 (b) For the purposes of this subdivision, "drug offense" means a conviction that occurred
232.19 after July 1, 1997, of sections 152.021 to 152.025, 152.0261, 152.0262, or 152.096. Drug
232.20 offense also means a conviction in another jurisdiction of the possession, use, or distribution
232.21 of a controlled substance, or conspiracy to commit any of these offenses, if the offense
232.22 occurred after July 1, 1997, and the conviction is ~~a felony offense in that jurisdiction, or in~~
232.23 ~~the case of New Jersey, a high misdemeanor~~ for a crime that would be a felony if committed
232.24 in Minnesota.

232.25 Sec. 34. Minnesota Statutes 2022, section 256D.024, subdivision 3, is amended to read:

232.26 Subd. 3. **Fleeing felons.** An individual who is fleeing to avoid prosecution, or custody,
232.27 or confinement after conviction for a crime that ~~is a felony under the laws of the jurisdiction~~
232.28 ~~from which the individual flees, or in the case of New Jersey, is a high misdemeanor,~~ would
232.29 be a felony if committed in Minnesota, is ineligible to receive benefits under this chapter.

232.30 Sec. 35. Minnesota Statutes 2022, section 256J.26, subdivision 1, is amended to read:

232.31 Subdivision 1. **Person convicted of drug offenses.** (a) An individual who has been
232.32 convicted of a felony level drug offense committed during the previous ten years from the

233.1 date of application or recertification, except for convictions related to cannabis, marijuana,
233.2 or tetrahydrocannabinols, is subject to the following:

233.3 (1) Benefits for the entire assistance unit must be paid in vendor form for shelter and
233.4 utilities during any time the applicant is part of the assistance unit.

233.5 (2) The convicted applicant or participant shall be subject to random drug testing as a
233.6 condition of continued eligibility and following any positive test for an illegal controlled
233.7 substance under chapter 152 is subject to the following sanctions:

233.8 (i) for failing a drug test the first time, the residual amount of the participant's grant after
233.9 making vendor payments for shelter and utility costs, if any, must be reduced by an amount
233.10 equal to 30 percent of the MFIP standard of need for an assistance unit of the same size.
233.11 When a sanction under this subdivision is in effect, the job counselor must attempt to meet
233.12 with the person face-to-face. During the face-to-face meeting, the job counselor must explain
233.13 the consequences of a subsequent drug test failure and inform the participant of the right to
233.14 appeal the sanction under section 256J.40. If a face-to-face meeting is not possible, the
233.15 county agency must send the participant a notice of adverse action as provided in section
233.16 256J.31, subdivisions 4 and 5, and must include the information required in the face-to-face
233.17 meeting; or

233.18 (ii) for failing a drug test two times, the participant is permanently disqualified from
233.19 receiving MFIP assistance, both the cash and food portions. The assistance unit's MFIP
233.20 grant must be reduced by the amount which would have otherwise been made available to
233.21 the disqualified participant. Disqualification under this item does not make a participant
233.22 ineligible for the Supplemental Nutrition Assistance Program (SNAP). Before a
233.23 disqualification under this provision is imposed, the job counselor must attempt to meet
233.24 with the participant face-to-face. During the face-to-face meeting, the job counselor must
233.25 identify other resources that may be available to the participant to meet the needs of the
233.26 family and inform the participant of the right to appeal the disqualification under section
233.27 256J.40. If a face-to-face meeting is not possible, the county agency must send the participant
233.28 a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must
233.29 include the information required in the face-to-face meeting.

233.30 (3) A participant who fails a drug test the first time and is under a sanction due to other
233.31 MFIP program requirements is considered to have more than one occurrence of
233.32 noncompliance and is subject to the applicable level of sanction as specified under section
233.33 256J.46, subdivision 1, paragraph (d).

(b) Applicants requesting only SNAP benefits or participants receiving only SNAP benefits, who have been convicted of a drug offense that occurred after July 1, 1997, except for convictions related to cannabis, marijuana, or tetrahydrocannabinols, may, if otherwise eligible, receive SNAP benefits if the convicted applicant or participant is subject to random drug testing as a condition of continued eligibility. Following a positive test for an illegal controlled substance under chapter 152, the applicant is subject to the following sanctions:

(1) for failing a drug test the first time, SNAP benefits shall be reduced by an amount equal to 30 percent of the applicable SNAP benefit allotment. When a sanction under this clause is in effect, a job counselor must attempt to meet with the person face-to-face. During the face-to-face meeting, a job counselor must explain the consequences of a subsequent drug test failure and inform the participant of the right to appeal the sanction under section 256J.40. If a face-to-face meeting is not possible, a county agency must send the participant a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must include the information required in the face-to-face meeting; and

(2) for failing a drug test two times, the participant is permanently disqualified from receiving SNAP benefits. Before a disqualification under this provision is imposed, a job counselor must attempt to meet with the participant face-to-face. During the face-to-face meeting, the job counselor must identify other resources that may be available to the participant to meet the needs of the family and inform the participant of the right to appeal the disqualification under section 256J.40. If a face-to-face meeting is not possible, a county agency must send the participant a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must include the information required in the face-to-face meeting.

(c) For the purposes of this subdivision, "drug offense" means an offense that occurred during the previous ten years from the date of application or recertification of sections 152.021 to 152.025, 152.0261, 152.0262, 152.096, or 152.137. Drug offense also means a conviction in another jurisdiction of the possession, use, or distribution of a controlled substance, or conspiracy to commit any of these offenses, if the offense occurred during the previous ten years from the date of application or recertification and the conviction is ~~a felony offense in that jurisdiction, or in the case of New Jersey, a high misdemeanor for~~ a crime that would be a felony if committed in Minnesota.

Sec. 36. Minnesota Statutes 2022, section 256J.26, subdivision 3, is amended to read:

Subd. 3. **Fleeing felons.** An individual who is fleeing to avoid prosecution, or custody, or confinement after conviction for a crime that ~~is a felony under the laws of the jurisdiction~~

235.1 ~~from which the individual flees, or in the case of New Jersey, is a high misdemeanor, would~~
235.2 be a felony if committed in Minnesota, is disqualified from receiving MFIP.

235.3 Sec. 37. **[340A.4022] RETAIL LICENSE NOT PROHIBITED; LOWER-POTENCY**
235.4 **HEMP EDIBLE RETAILER.**

235.5 (a) Nothing in this chapter:

235.6 (1) prohibits the issuance of a retail license or permit to a person also holding a
235.7 lower-potency hemp edible retailer license;

235.8 (2) allows any agreement between a licensing authority and retail license or permit holder
235.9 that prohibits the license or permit holder from also holding a lower-potency hemp edible
235.10 retailer license; or

235.11 (3) allows the revocation or suspension of a retail license or permit, or the imposition
235.12 of a penalty on a retail license or permit holder, due to the retail license or permit holder
235.13 also holding a lower-potency hemp edible retailer license.

235.14 (b) For purposes of this section, "lower-potency hemp edible retailer license" means a
235.15 license issued by the Office of Cannabis Management under section 342.41.

235.16 Sec. 38. Minnesota Statutes 2022, section 340A.412, subdivision 14, is amended to read:

235.17 Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision,
235.18 an exclusive liquor store may sell only the following items:

235.19 (1) alcoholic beverages;

235.20 (2) tobacco products;

235.21 (3) ice;

235.22 (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating
235.23 liquor;

235.24 (5) soft drinks;

235.25 (6) liqueur-filled candies;

235.26 (7) food products that contain more than one-half of one percent alcohol by volume;

235.27 (8) cork extraction devices;

235.28 (9) books and videos on the use of alcoholic beverages;

236.1 (10) magazines and other publications published primarily for information and education
236.2 on alcoholic beverages;

236.3 (11) multiple-use bags designed to carry purchased items;

236.4 (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to
236.5 prevent access by underage drinkers;

236.6 (13) home brewing equipment;

236.7 (14) clothing marked with the specific name, brand, or identifying logo of the exclusive
236.8 liquor store, and bearing no other name, brand, or identifying logo;

236.9 (15) citrus fruit; ~~and~~

236.10 (16) glassware; and

236.11 (17) lower-potency hemp edibles as defined in section 342.01, subdivision 49.

236.12 (b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale
236.13 license may sell food for on-premise consumption when authorized by the municipality
236.14 issuing the license.

236.15 (c) An exclusive liquor store may offer live or recorded entertainment.

236.16 **EFFECTIVE DATE.** This section is effective July 1, 2024.

236.17 Sec. 39. Minnesota Statutes 2022, section 609.2111, is amended to read:

236.18 **609.2111 DEFINITIONS.**

236.19 (a) For purposes of sections 609.2111 to 609.2114, the terms defined in this subdivision
236.20 have the meanings given them.

236.21 (b) "Motor vehicle" has the meaning given in section 609.52, subdivision 1, and includes
236.22 attached trailers.

236.23 (c) "Controlled substance" has the meaning given in section ~~152.01~~ 169A.03, subdivision
236.24 4 ~~6~~.

236.25 (d) "Intoxicating substance" has the meaning given in section 169A.03, subdivision 11a.

236.26 (e) "Qualified prior driving offense" includes a prior conviction:

236.27 (1) for a violation of section 169A.20 under the circumstances described in section
236.28 169A.24 or 169A.25;

237.1 (2) under section 609.2112, subdivision 1, paragraph (a), clauses (2) to (6); 609.2113,
237.2 subdivision 1, clauses (2) to (6); 2, clauses (2) to (6); or 3, clauses (2) to (6); or 609.2114,
237.3 subdivision 1, paragraph (a), clauses (2) to (6); or 2, clauses (2) to (6);

237.4 (3) under Minnesota Statutes 2012, section 609.21, subdivision 1, clauses (2) to (6); or

237.5 (4) under Minnesota Statutes 2006, section 609.21, subdivision 1, clauses (2) to (6); 2,
237.6 clauses (2) to (6); 2a, clauses (2) to (6); 2b, clauses (2) to (6); 3, clauses (2) to (6); or 4,
237.7 clauses (2) to (6).

237.8 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
237.9 committed on or after that date.

237.10 Sec. 40. Minnesota Statutes 2022, section 609B.425, subdivision 2, is amended to read:

237.11 Subd. 2. **Benefit eligibility.** (a) A person convicted of a drug offense after July 1, 1997,
237.12 except for convictions related to cannabis, marijuana, or tetrahydrocannabinols, is ineligible
237.13 for general assistance benefits and Supplemental Security Income under chapter 256D until:

237.14 (1) five years after completing the terms of a court-ordered sentence; or

237.15 (2) unless the person is participating in a drug treatment program, has successfully
237.16 completed a program, or has been determined not to be in need of a drug treatment program.

237.17 (b) A person who becomes eligible for assistance under chapter 256D is subject to
237.18 random drug testing and shall lose eligibility for benefits for five years beginning the month
237.19 following:

237.20 (1) any positive test for an illegal controlled substance under chapter 152; or

237.21 (2) discharge of sentence for conviction of another drug felony.

237.22 (c) Parole violators and fleeing felons are ineligible for benefits and persons fraudulently
237.23 misrepresenting eligibility are also ineligible to receive benefits for ten years.

237.24 Sec. 41. Minnesota Statutes 2022, section 609B.435, subdivision 2, is amended to read:

237.25 Subd. 2. **Drug offenders; random testing; sanctions.** A person who is an applicant for
237.26 benefits from the Minnesota family investment program or MFIP, the vehicle for temporary
237.27 assistance for needy families or TANF, and who has been convicted of a drug offense,
237.28 except for convictions related to cannabis, marijuana, or tetrahydrocannabinols, shall be
237.29 subject to certain conditions, including random drug testing, in order to receive MFIP
237.30 benefits. Following any positive test for a controlled substance under chapter 152, the
237.31 convicted applicant or participant is subject to the following sanctions:

238.1 (1) a first time drug test failure results in a reduction of benefits in an amount equal to
238.2 30 percent of the MFIP standard of need; and

238.3 (2) a second time drug test failure results in permanent disqualification from receiving
238.4 MFIP assistance.

238.5 A similar disqualification sequence occurs if the applicant is receiving Supplemental Nutrition
238.6 Assistance Program (SNAP) benefits.

238.7 Sec. 42. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
238.8 to read:

238.9 Subd. 13. **Adult-use cannabis flower.** "Adult-use cannabis flower" has the meaning
238.10 given in section 342.01, subdivision 4.

238.11 Sec. 43. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
238.12 to read:

238.13 Subd. 14. **Adult-use cannabis product.** "Adult-use cannabis product" has the meaning
238.14 given in section 342.01, subdivision 2.

238.15 Sec. 44. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
238.16 to read:

238.17 Subd. 15. **Medical cannabis flower.** "Medical cannabis flower" has the meaning given
238.18 in section 342.01, subdivision 53.

238.19 Sec. 45. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
238.20 to read:

238.21 Subd. 16. **Medical cannabinoid product.** "Medical cannabinoid product" has the
238.22 meaning given in section 342.01, subdivision 51.

238.23 Sec. 46. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
238.24 to read:

238.25 Subd. 17. **Patient.** "Patient" has the meaning given in section 342.01, subdivision 58.

239.1 Sec. 47. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
239.2 to read:

239.3 Subd. 18. **Qualifying medical condition.** "Qualifying medical condition" has the meaning
239.4 given in section 342.01, subdivision 61.

239.5 Sec. 48. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
239.6 to read:

239.7 Subd. 19. **Registry or registry program.** "Registry" or "registry program" has the
239.8 meaning given in section 342.01, subdivision 63.

239.9 Sec. 49. Minnesota Statutes 2022, section 624.713, subdivision 1, is amended to read:

239.10 Subdivision 1. **Ineligible persons.** The following persons shall not be entitled to possess
239.11 ammunition or a pistol or semiautomatic military-style assault weapon or, except for clause
239.12 (1), any other firearm:

239.13 (1) a person under the age of 18 years except that a person under 18 may possess
239.14 ammunition designed for use in a firearm that the person may lawfully possess and may
239.15 carry or possess a pistol or semiautomatic military-style assault weapon (i) in the actual
239.16 presence or under the direct supervision of the person's parent or guardian, (ii) for the
239.17 purpose of military drill under the auspices of a legally recognized military organization
239.18 and under competent supervision, (iii) for the purpose of instruction, competition, or target
239.19 practice on a firing range approved by the chief of police or county sheriff in whose
239.20 jurisdiction the range is located and under direct supervision; or (iv) if the person has
239.21 successfully completed a course designed to teach marksmanship and safety with a pistol
239.22 or semiautomatic military-style assault weapon and approved by the commissioner of natural
239.23 resources;

239.24 (2) except as otherwise provided in clause (9), a person who has been convicted of, or
239.25 adjudicated delinquent or convicted as an extended jurisdiction juvenile for committing, in
239.26 this state or elsewhere, a crime of violence. For purposes of this section, crime of violence
239.27 includes crimes in other states or jurisdictions which would have been crimes of violence
239.28 as herein defined if they had been committed in this state;

239.29 (3) a person who is or has ever been committed in Minnesota or elsewhere by a judicial
239.30 determination that the person is mentally ill, developmentally disabled, or mentally ill and
239.31 dangerous to the public, as defined in section 253B.02, to a treatment facility, or who has
239.32 ever been found incompetent to stand trial or not guilty by reason of mental illness, unless

240.1 the person's ability to possess a firearm and ammunition has been restored under subdivision
240.2 4;

240.3 (4) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or
240.4 gross misdemeanor violation of chapter 152, unless three years have elapsed since the date
240.5 of conviction and, during that time, the person has not been convicted of any other such
240.6 violation of chapter 152 or a similar law of another state; or a person who is or has ever
240.7 been committed by a judicial determination for treatment for the habitual use of a controlled
240.8 substance or marijuana, as defined in sections 152.01 and 152.02, unless the person's ability
240.9 to possess a firearm and ammunition has been restored under subdivision 4;

240.10 (5) a person who has been committed to a treatment facility in Minnesota or elsewhere
240.11 by a judicial determination that the person is chemically dependent as defined in section
240.12 253B.02, unless the person has completed treatment or the person's ability to possess a
240.13 firearm and ammunition has been restored under subdivision 4. Property rights may not be
240.14 abated but access may be restricted by the courts;

240.15 (6) a peace officer who is informally admitted to a treatment facility pursuant to section
240.16 253B.04 for chemical dependency, unless the officer possesses a certificate from the head
240.17 of the treatment facility discharging or provisionally discharging the officer from the
240.18 treatment facility. Property rights may not be abated but access may be restricted by the
240.19 courts;

240.20 (7) a person, including a person under the jurisdiction of the juvenile court, who has
240.21 been charged with committing a crime of violence and has been placed in a pretrial diversion
240.22 program by the court before disposition, until the person has completed the diversion program
240.23 and the charge of committing the crime of violence has been dismissed;

240.24 (8) except as otherwise provided in clause (9), a person who has been convicted in
240.25 another state of committing an offense similar to the offense described in section 609.224,
240.26 subdivision 3, against a family or household member or section 609.2242, subdivision 3,
240.27 unless three years have elapsed since the date of conviction and, during that time, the person
240.28 has not been convicted of any other violation of section 609.224, subdivision 3, or 609.2242,
240.29 subdivision 3, or a similar law of another state;

240.30 (9) a person who has been convicted in this state or elsewhere of assaulting a family or
240.31 household member and who was found by the court to have used a firearm in any way
240.32 during commission of the assault is prohibited from possessing any type of firearm or
240.33 ammunition for the period determined by the sentencing court;

240.34 (10) a person who:

241.1 (i) has been convicted in any court of a crime punishable by imprisonment for a term
241.2 exceeding one year;

241.3 (ii) is a fugitive from justice as a result of having fled from any state to avoid prosecution
241.4 for a crime or to avoid giving testimony in any criminal proceeding;

241.5 (iii) is an unlawful user of any controlled substance as defined in chapter 152. The use
241.6 of medical cannabis flower or medical cannabinoid products by a patient enrolled in the
241.7 registry program or the use of adult-use cannabis flower or adult-use cannabis products by
241.8 a person 21 years of age or older does not constitute the unlawful use of a controlled
241.9 substance under this item;

241.10 (iv) has been judicially committed to a treatment facility in Minnesota or elsewhere as
241.11 a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the
241.12 public, as defined in section 253B.02;

241.13 (v) is an alien who is illegally or unlawfully in the United States;

241.14 (vi) has been discharged from the armed forces of the United States under dishonorable
241.15 conditions;

241.16 (vii) has renounced the person's citizenship having been a citizen of the United States;
241.17 or

241.18 (viii) is disqualified from possessing a firearm under United States Code, title 18, section
241.19 922(g)(8) or (9), as amended through March 1, 2014;

241.20 (11) a person who has been convicted of the following offenses at the gross misdemeanor
241.21 level, unless three years have elapsed since the date of conviction and, during that time, the
241.22 person has not been convicted of any other violation of these sections: section 609.229
241.23 (crimes committed for the benefit of a gang); 609.2231, subdivision 4 (assaults motivated
241.24 by bias); 609.255 (false imprisonment); 609.378 (neglect or endangerment of a child);
241.25 609.582, subdivision 4 (burglary in the fourth degree); 609.665 (setting a spring gun); 609.71
241.26 (riot); or 609.749 (harassment or stalking). For purposes of this paragraph, the specified
241.27 gross misdemeanor convictions include crimes committed in other states or jurisdictions
241.28 which would have been gross misdemeanors if conviction occurred in this state;

241.29 (12) a person who has been convicted of a violation of section 609.224 if the court
241.30 determined that the assault was against a family or household member in accordance with
241.31 section 609.2242, subdivision 3 (domestic assault), unless three years have elapsed since
241.32 the date of conviction and, during that time, the person has not been convicted of another
241.33 violation of section 609.224 or a violation of a section listed in clause (11); or

242.1 (13) a person who is subject to an order for protection as described in section 260C.201,
242.2 subdivision 3, paragraph (d), or 518B.01, subdivision 6, paragraph (g).

242.3 A person who issues a certificate pursuant to this section in good faith is not liable for
242.4 damages resulting or arising from the actions or misconduct with a firearm or ammunition
242.5 committed by the individual who is the subject of the certificate.

242.6 The prohibition in this subdivision relating to the possession of firearms other than
242.7 pistols and semiautomatic military-style assault weapons does not apply retroactively to
242.8 persons who are prohibited from possessing a pistol or semiautomatic military-style assault
242.9 weapon under this subdivision before August 1, 1994.

242.10 The lifetime prohibition on possessing, receiving, shipping, or transporting firearms and
242.11 ammunition for persons convicted or adjudicated delinquent of a crime of violence in clause
242.12 (2), applies only to offenders who are discharged from sentence or court supervision for a
242.13 crime of violence on or after August 1, 1993.

242.14 Participation as a patient in the registry program or use of adult-use cannabis flower or
242.15 adult-use cannabinoid products by a person 21 years of age or older does not disqualify the
242.16 person from possessing firearms and ammunition under this section.

242.17 For purposes of this section, "judicial determination" means a court proceeding pursuant
242.18 to sections 253B.07 to 253B.09 or a comparable law from another state.

242.19 Sec. 50. Minnesota Statutes 2022, section 624.714, subdivision 6, is amended to read:

242.20 Subd. 6. **Granting and denial of permits.** (a) The sheriff must, within 30 days after the
242.21 date of receipt of the application packet described in subdivision 3:

242.22 (1) issue the permit to carry;

242.23 (2) deny the application for a permit to carry solely on the grounds that the applicant
242.24 failed to qualify under the criteria described in subdivision 2, paragraph (b); or

242.25 (3) deny the application on the grounds that there exists a substantial likelihood that the
242.26 applicant is a danger to self or the public if authorized to carry a pistol under a permit.

242.27 (b) Failure of the sheriff to notify the applicant of the denial of the application within
242.28 30 days after the date of receipt of the application packet constitutes issuance of the permit
242.29 to carry and the sheriff must promptly fulfill the requirements under paragraph (c). To deny
242.30 the application, the sheriff must provide the applicant with written notification and the
242.31 specific factual basis justifying the denial under paragraph (a), clause (2) or (3), including
242.32 the source of the factual basis. The sheriff must inform the applicant of the applicant's right

243.1 to submit, within 20 business days, any additional documentation relating to the propriety
243.2 of the denial. Upon receiving any additional documentation, the sheriff must reconsider the
243.3 denial and inform the applicant within 15 business days of the result of the reconsideration.
243.4 Any denial after reconsideration must be in the same form and substance as the original
243.5 denial and must specifically address any continued deficiencies in light of the additional
243.6 documentation submitted by the applicant. The applicant must be informed of the right to
243.7 seek de novo review of the denial as provided in subdivision 12.

243.8 (c) Upon issuing a permit to carry, the sheriff must provide a laminated permit card to
243.9 the applicant by first class mail unless personal delivery has been made. Within five business
243.10 days, the sheriff must submit the information specified in subdivision 7, paragraph (a), to
243.11 the commissioner for inclusion solely in the database required under subdivision 15,
243.12 paragraph (a). The sheriff must transmit the information in a manner and format prescribed
243.13 by the commissioner.

243.14 (d) Within five business days of learning that a permit to carry has been suspended or
243.15 revoked, the sheriff must submit information to the commissioner regarding the suspension
243.16 or revocation for inclusion solely in the databases required or permitted under subdivision
243.17 15.

243.18 (e) Notwithstanding paragraphs (a) and (b), the sheriff may suspend the application
243.19 process if a charge is pending against the applicant that, if resulting in conviction, will
243.20 prohibit the applicant from possessing a firearm.

243.21 (f) A sheriff shall not deny an application for a permit to carry solely because the applicant
243.22 is a patient enrolled in the registry program and uses medical cannabis flower or medical
243.23 cannabinoid products for a qualifying medical condition or because the person is 21 years
243.24 of age or older and uses adult-use cannabis flower or adult-use cannabis products.

243.25 Sec. 51. Minnesota Statutes 2022, section 624.7142, subdivision 1, is amended to read:

243.26 Subdivision 1. **Acts prohibited.** A person may not carry a pistol on or about the person's
243.27 clothes or person in a public place:

243.28 (1) when the person is under the influence of a controlled substance, as defined in section
243.29 ~~152.01~~ 169A.03, subdivision 4 6;

243.30 (2) when the person is under the influence of a combination of any two or more of the
243.31 elements named in clauses (1) and (4);

244.1 (3) when the person is under the influence of an intoxicating substance as defined in
244.2 section 169A.03, subdivision 11a, and the person knows or has reason to know that the
244.3 substance has the capacity to cause impairment;

244.4 (4) when the person is under the influence of alcohol;

244.5 (5) when the person's alcohol concentration is 0.10 or more; ~~or~~

244.6 (6) when the person's alcohol concentration is less than 0.10, but more than 0.04~~;~~ or

244.7 (7) when the person is enrolled as a patient in the registry program, uses medical cannabis
244.8 flower or medical cannabinoid products, and knows or has reason to know that the medical
244.9 cannabis flower or medical cannabinoid products used by the person has the capacity to
244.10 cause impairment.

244.11 Sec. 52. Minnesota Statutes 2022, section 624.7143, is amended by adding a subdivision
244.12 to read:

244.13 Subd. 6. **Definition.** As used in this section, "controlled substance" has the meaning
244.14 given in section 169A.03, subdivision 6.

244.15 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
244.16 committed on or after that date.

244.17 Sec. 53. Minnesota Statutes 2022, section 624.7151, is amended to read:

244.18 **624.7151 STANDARDIZED FORMS.**

244.19 By December 1, 1992, the commissioner shall adopt statewide standards governing the
244.20 form and contents, as required by sections 624.7131 to 624.714, of every application for a
244.21 pistol transferee permit, pistol transferee permit, report of transfer of a pistol, application
244.22 for a permit to carry a pistol, and permit to carry a pistol that is granted or renewed on or
244.23 after January 1, 1993.

244.24 Every application for a pistol transferee permit, pistol transferee permit, report of transfer
244.25 of a pistol, application for a permit to carry a pistol, and permit to carry a pistol that is
244.26 received, granted, or renewed by a police chief or county sheriff on or after January 1, 1993,
244.27 must meet the statewide standards adopted by the commissioner. Notwithstanding the
244.28 previous sentence, neither failure of the Department of Public Safety to adopt standards nor
244.29 failure of the police chief or county sheriff to meet them shall delay the timely processing
244.30 of applications nor invalidate permits issued on other forms meeting the requirements of
244.31 sections 624.7131 to 624.714.

Any form used for the purpose of approving or disapproving a person from purchasing, owning, possessing, or carrying a firearm that inquires about the applicant's use of controlled substances shall specifically authorize a patient in the registry program to refrain from reporting the use of medical cannabis flower and medical cannabinoid products and shall specifically authorize a person 21 years of age or older from refraining from reporting the use of adult-use cannabis flower or adult-use cannabis products.

Sec. 54. **[624.7152] LAWFUL CANNABIS USERS.**

(a) A person may not be denied the right to purchase, own, possess, or carry a firearm solely on the basis that the person is a patient in the registry program.

(b) A person may not be denied the right to purchase, own, possess, or carry a firearm solely on the basis that the person is 21 years of age or older and uses adult-use cannabis flower or adult-use cannabis products.

(c) A state or local agency may not access a database containing the identities of patients in the registry program to obtain information for the purpose of approving or disapproving a person from purchasing, owning, possessing, or carrying a firearm.

(d) A state or local agency may not use information gathered from a database containing the identities of patients in the registry program to obtain information for the purpose of approving or disapproving a person from purchasing, owning, possessing, or carrying a firearm.

(e) A state or local agency may not inquire about a person's status as a patient in the registry program for the purpose of approving or disapproving the person from purchasing, owning, possessing, or carrying a firearm.

(f) A state or local agency may not inquire about the use of adult-use cannabis flower or adult-use cannabis products by a person 21 years of age or older for the purpose of approving or disapproving the person from purchasing, owning, possessing, or carrying a firearm.

Sec. 55. **REPEALER.**

(a) Minnesota Rules, parts 4770.0100; 4770.0200; 4770.0300; 4770.0400; 4770.0500; 4770.0600; 4770.0800; 4770.0900; 4770.1000; 4770.1100; 4770.1200; 4770.1300; 4770.1400; 4770.1460; 4770.1500; 4770.1600; 4770.1700; 4770.1800; 4770.1900; 4770.2000; 4770.2100; 4770.2200; 4770.2300; 4770.2400; 4770.2700; 4770.2800; 4770.4000; 4770.4002; 4770.4003; 4770.4004; 4770.4005; 4770.4007; 4770.4008;

246.1 4770.4009; 4770.4010; 4770.4012; 4770.4013; 4770.4014; 4770.4015; 4770.4016;
246.2 4770.4017; 4770.4018; and 4770.4030, are repealed.

246.3 (b) Minnesota Statutes 2022, sections 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8,
246.4 9, 10, 11, 12, 13, and 14; 152.23; 152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, and 4;
246.5 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, and 7; 152.28, subdivisions 1, 2, and
246.6 3; 152.29, subdivisions 1, 2, 3, 3a, and 4; 152.30; 152.31; 152.32, subdivisions 1, 2, and 3;
246.7 152.33, subdivisions 1, 1a, 2, 3, 4, 5, and 6; 152.34; 152.35; 152.36, subdivisions 1, 1a, 2,
246.8 3, 4, and 5; and 152.37, are repealed.

246.9 (c) Minnesota Statutes 2022, section 152.027, subdivisions 3 and 4, are repealed.

246.10 (d) Minnesota Statutes 2022, section 152.21, is repealed.

246.11 (e) Minnesota Statutes 2022, sections 34A.01, subdivision 4; and 151.72, are repealed.

246.12 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective January 1, 2024. Paragraph
246.13 (c) is effective August 1, 2023. Paragraph (d) is effective July 1, 2023. Paragraph (e) is
246.14 effective July 1, 2024.

246.15 **ARTICLE 7**

246.16 **TEMPORARY REGULATION OF CERTAIN PRODUCTS**

246.17 Section 1. Minnesota Statutes 2022, section 34A.01, subdivision 4, is amended to read:

246.18 Subd. 4. **Food.** "Food" means every ingredient used for, entering into the consumption
246.19 of, or used or intended for use in the preparation of food, drink, confectionery, or condiment
246.20 for humans or other animals, whether simple, mixed, or compound; and articles used as
246.21 components of these ingredients, except that edible cannabinoid products, as defined in
246.22 section 151.72, subdivision 1, paragraph ~~(e)~~ (f), are not food.

246.23 Sec. 2. Minnesota Statutes 2022, section 144.99, subdivision 1, is amended to read:

246.24 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections
246.25 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14),
246.26 and (15); 144.1201 to 144.1204; 144.121; 144.1215; 144.1222; 144.35; 144.381 to 144.385;
246.27 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9512; 144.97 to 144.98;
246.28 144.992; 151.72; 152.22 to 152.37; 326.70 to 326.785; 327.10 to 327.131; and 327.14 to
246.29 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements,
246.30 licenses, registrations, certificates, and permits adopted or issued by the department or under
246.31 any other law now in force or later enacted for the preservation of public health may, in
246.32 addition to provisions in other statutes, be enforced under this section.

247.1 Sec. 3. Minnesota Statutes 2022, section 151.72, is amended to read:

247.2 **151.72 SALE OF CERTAIN CANNABINOID PRODUCTS.**

247.3 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
247.4 the meanings given.

247.5 (a) "Synthetically derived cannabinoid" means a cannabinoid extracted from a hemp
247.6 plant or hemp plant parts whose chemical makeup is changed after extraction to create a
247.7 different cannabinoid or other chemical compound by applying a catalyst other than heat
247.8 or light. Synthetically derived cannabinoid includes but is not limited to any
247.9 tetrahydrocannabinol created from cannabidiol.

247.10 (b) "Batch" means a specific quantity of a specific product containing cannabinoids
247.11 derived from hemp, including an edible cannabinoid product, that is manufactured at the
247.12 same time and using the same methods, equipment, and ingredients that is uniform and
247.13 intended to meet specifications for identity, strength, purity, and composition, and that is
247.14 manufactured, packaged, and labeled according to a single batch production record executed
247.15 and documented during the same cycle of manufacture and produced by a continuous
247.16 process.

247.17 ~~(b)~~ (c) "Certified hemp" means hemp plants that have been tested and found to meet the
247.18 requirements of chapter 18K and the rules adopted thereunder.

247.19 (d) "Commissioner" means the commissioner of health.

247.20 (e) "Distributor" means a person who sells, arranges a sale, or delivers a product
247.21 containing cannabinoids derived from hemp, including an edible cannabinoid product, that
247.22 the person did not manufacture to a retail establishment for sale to consumers. Distributor
247.23 does not include a common carrier used only to complete delivery to a retailer.

247.24 ~~(e)~~ (f) "Edible cannabinoid product" means any product that is intended to be eaten or
247.25 consumed as a beverage by humans, contains a cannabinoid in combination with food
247.26 ingredients, and is not a drug.

247.27 ~~(d)~~ (g) "Hemp" has the meaning given to "industrial hemp" in section 18K.02, subdivision
247.28 3.

247.29 ~~(e)~~ (h) "Label" has the meaning given in section 151.01, subdivision 18.

247.30 ~~(f)~~ (i) "Labeling" means all labels and other written, printed, or graphic matter that are:

247.31 (1) affixed to the immediate container in which a product regulated under this section
247.32 is sold;

(2) provided, in any manner, with the immediate container, including but not limited to outer containers, wrappers, package inserts, brochures, or pamphlets; or

(3) provided on that portion of a manufacturer's website that is linked by a scannable barcode or matrix barcode.

~~(g)~~ (j) "Matrix barcode" means a code that stores data in a two-dimensional array of geometrically shaped dark and light cells capable of being read by the camera on a smartphone or other mobile device.

~~(h)~~ (k) "Nonintoxicating cannabinoid" means substances extracted from certified hemp plants that do not produce intoxicating effects when consumed by any route of administration.

(l) "Artificial cannabinoid" means a substance with a similar chemical structure and pharmacological activity to a cannabinoid, but which is not extracted or derived from hemp plants, or hemp plant parts and is instead created or produced by chemical or biochemical synthesis.

Subd. 2. **Scope.** (a) This section applies to the sale of any product that contains cannabinoids extracted from hemp and that is an edible cannabinoid product or is intended for human or animal consumption by any route of administration.

(b) This section does not apply to any product dispensed by a registered medical cannabis manufacturer pursuant to sections 152.22 to 152.37.

(c) ~~The board~~ the commissioner must have no authority over food products, as defined in section 34A.01, subdivision 4, that do not contain cannabinoids extracted or derived from hemp.

Subd. 3. **Sale of cannabinoids derived from hemp.** (a) Notwithstanding any other section of this chapter, a product containing nonintoxicating cannabinoids, including an edible cannabinoid product, may be sold for human or animal consumption only if all of the requirements of this section are met, provided that a product sold for human or animal consumption does not contain more than 0.3 percent of any tetrahydrocannabinol and an edible cannabinoid product does not contain an amount of any tetrahydrocannabinol that exceeds the limits established in subdivision 5a, paragraph (f).

(b) No other substance extracted or otherwise derived from hemp may be sold for human consumption if the substance is intended:

(1) for external or internal use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or other animals; or

(2) to affect the structure or any function of the bodies of humans or other animals.

(c) No product containing any cannabinoid or tetrahydrocannabinol extracted or otherwise derived from hemp may be sold to any individual who is under the age of 21.

(d) Products that meet the requirements of this section are not controlled substances under section 152.02.

Subd. 4. Testing requirements. (a) A manufacturer of a product regulated under this section must submit representative samples of each batch of the product to an independent, accredited laboratory in order to certify that the product complies with the standards adopted by the board on or before July 1, 2023, or the standards adopted by the commissioner. Testing must be consistent with generally accepted industry standards for herbal and botanical substances, and, at a minimum, the testing must confirm that the product:

(1) contains the amount or percentage of cannabinoids that is stated on the label of the product;

(2) does not contain more than trace amounts of any mold, residual solvents or other catalysts, pesticides, fertilizers, or heavy metals; and

(3) does not contain more than 0.3 percent of any tetrahydrocannabinol.

(b) A manufacturer of a product regulated under this section must disclose all known information regarding pesticides, fertilizers, solvents, or other foreign materials applied to industrial hemp or added to industrial hemp during any production or processing stages of any batch from which a representative sample has been sent for testing, including any catalysts used to create synthetically derived cannabinoids. Disclosure must be made to the laboratory performing testing or sampling and, upon request, to the commissioner. Disclosure must include all information known to the licensee regardless of whether the application or addition was made intentionally or accidentally, or by the manufacturer or any other person.

~~(b)~~ (c) Upon the request of the ~~board~~ commissioner, the manufacturer of the product must provide the ~~board~~ commissioner with the results of the testing required in this section.

(d) The commissioner may determine that any testing laboratory that does not operate formal management systems under the International Organization for Standardization is not an accredited laboratory and require that a representative sample of a batch of the product be retested by a testing laboratory that meets this requirement.

~~(e)~~ (e) Testing of the hemp from which the nonintoxicating cannabinoid was derived, or possession of a certificate of analysis for such hemp, does not meet the testing requirements of this section.

250.1 Subd. 5. **Labeling requirements.** (a) A product regulated under this section must bear
250.2 a label that contains, at a minimum:

250.3 (1) the name, location, contact phone number, and website of the manufacturer of the
250.4 product;

250.5 (2) the name and address of the independent, accredited laboratory used by the
250.6 manufacturer to test the product; ~~and~~

250.7 (3) the batch number; and

250.8 ~~(3)~~ (4) an accurate statement of the amount or percentage of cannabinoids found in each
250.9 unit of the product meant to be consumed.

250.10 (b) The information in paragraph (a) may be provided on an outer package if the
250.11 immediate container that holds the product is too small to contain all of the information.

250.12 (c) The information required in paragraph (a) may be provided through the use of a
250.13 scannable barcode or matrix barcode that links to a page on the manufacturer's website if
250.14 that page contains all of the information required by this subdivision.

250.15 (d) The label must also include a statement stating that the product does not claim to
250.16 diagnose, treat, cure, or prevent any disease and has not been evaluated or approved by the
250.17 United States Food and Drug Administration (FDA) unless the product has been so approved.

250.18 (e) The information required by this subdivision must be prominently and conspicuously
250.19 placed on the label or displayed on the website in terms that can be easily read and understood
250.20 by the consumer.

250.21 (f) The labeling must not contain any claim that the product may be used or is effective
250.22 for the prevention, treatment, or cure of a disease or that it may be used to alter the structure
250.23 or function of human or animal bodies, unless the claim has been approved by the FDA.

250.24 Subd. 5a. **Additional requirements for edible cannabinoid products.** (a) In addition
250.25 to the testing and labeling requirements under subdivisions 4 and 5, an edible cannabinoid
250.26 must meet the requirements of this subdivision.

250.27 (b) An edible cannabinoid product must not:

250.28 (1) bear the likeness or contain cartoon-like characteristics of a real or fictional person,
250.29 animal, or fruit that appeals to children;

250.30 (2) be modeled after a brand of products primarily consumed by or marketed to children;

251.1 (3) be made by applying an extracted or concentrated hemp-derived cannabinoid to a
251.2 commercially available candy or snack food item;

251.3 (4) be substantively similar to a meat food product; poultry food product as defined in
251.4 section 31A.02, subdivision 10; or a dairy product as defined in section 32D.01, subdivision
251.5 7;

251.6 ~~(4)~~ (5) contain an ingredient, other than a hemp-derived cannabinoid, that is not approved
251.7 by the United States Food and Drug Administration for use in food;

251.8 ~~(5)~~ (6) be packaged in a way that resembles the trademarked, characteristic, or
251.9 product-specialized packaging of any commercially available food product; or

251.10 ~~(6)~~ (7) be packaged in a container that includes a statement, artwork, or design that could
251.11 reasonably mislead any person to believe that the package contains anything other than an
251.12 edible cannabinoid product.

251.13 (c) An edible cannabinoid product must be prepackaged in packaging or a container that
251.14 is child-resistant, tamper-evident, and opaque or placed in packaging or a container that is
251.15 child-resistant, tamper-evident, and opaque at the final point of sale to a customer. The
251.16 requirement that packaging be child-resistant does not apply to an edible cannabinoid product
251.17 that is intended to be consumed as a beverage and which contains no more than a ~~trace~~
251.18 ~~amount of any tetrahydrocannabinol~~ total of 0.25 milligrams of all tetrahydrocannabinols.

251.19 (d) If an edible cannabinoid product is intended for more than a single use or contains
251.20 multiple servings, each serving must be indicated by scoring, wrapping, or other indicators
251.21 designating the individual serving size that appear on the edible cannabinoid product.

251.22 (e) A label containing at least the following information must be affixed to the packaging
251.23 or container of all edible cannabinoid products sold to consumers:

251.24 (1) the serving size;

251.25 (2) the cannabinoid profile per serving and in total;

251.26 (3) a list of ingredients, including identification of any major food allergens declared
251.27 by name; and

251.28 (4) the following statement: "Keep this product out of reach of children."

251.29 (f) An edible cannabinoid product must not contain more than five milligrams of any
251.30 tetrahydrocannabinol in a single serving, or more than a total of 50 milligrams of any
251.31 tetrahydrocannabinol per package.

252.1 (g) An edible cannabinoid product may contain delta-8 tetrahydrocannabinol or delta-9
252.2 tetrahydrocannabinol that is extracted from hemp plants or hemp plant parts or is a
252.3 synthetically derived cannabinoid. Edible cannabinoid products are prohibited from
252.4 containing any other synthetically derived cannabinoid, including but not limited to THC-P,
252.5 THC-O, and HHC, unless the commissioner authorizes use of the synthetically derived
252.6 cannabinoid in edible cannabinoid products. Edible cannabinoid products are prohibited
252.7 from containing artificial cannabinoids.

252.8 Subd. 5b. **Registration; prohibitions.** (a) On or before October 1, 2023, every person
252.9 selling edible cannabinoid products to consumers must apply for registration with the
252.10 commissioner in a form and manner established by the commissioner. After October 1,
252.11 2023, the sale of edible cannabinoid products by a person that is not registered is prohibited.

252.12 (b) The commissioner shall approve completed registration applications unless the
252.13 applicant is operating in violation of this section or the commissioner reasonably believes
252.14 that the applicant will operate in violation of this section.

252.15 (c) The commissioner shall not charge a fee for registration under this subdivision.

252.16 (d) A registered retailer shall not:

252.17 (1) permit the on-site consumption of edible cannabinoid products; or

252.18 (2) provide free samples of edible cannabinoid products, except that a retailer may
252.19 provide a single package of an edible cannabinoid product with the purchase of a childproof
252.20 packaging container or other device designed to ensure the safe storage and monitoring of
252.21 edible cannabinoid products in the home to prevent access by individuals under 21 years
252.22 of age.

252.23 Subd. 5c. **Age verification.** (a) Prior to initiating a sale of an edible cannabinoid product,
252.24 an employee of a retailer must verify that the customer is at least 21 years of age.

252.25 (b) Proof of age may be established only by one of the following:

252.26 (1) a valid driver's license or identification card issued by Minnesota, another state, or
252.27 a province of Canada and including the photograph and date of birth of the licensed person;

252.28 (2) a valid Tribal identification card as defined in section 171.072, paragraph (b);

252.29 (3) a valid passport issued by the United States;

252.30 (4) a valid instructional permit issued under section 171.05 to a person of legal age to
252.31 purchase edible cannabinoid products, which includes a photograph and the date of birth
252.32 of the person issued the permit; or

253.1 (5) in the case of a foreign national, by a valid passport.

253.2 (c) A registered retailer may seize a form of identification listed under paragraph (b) if
253.3 the registered retailer has reasonable grounds to believe that the form of identification has
253.4 been altered or falsified or is being used to violate any law. A registered retailer that seizes
253.5 a form of identification as authorized under this paragraph must deliver it to a law
253.6 enforcement agency within 24 hours of seizing it.

253.7 Subd. 6. **Noncompliant products; enforcement.** (a) A product regulated under this
253.8 section, including an edible cannabinoid product, shall be considered ~~an adulterated drug~~
253.9 a noncompliant product if the product is offered for sale in this state or if the product is
253.10 manufactured, imported, distributed, or stored with the intent to be offered for sale in this
253.11 state in violation of any provision of this section, including but not limited to if:

253.12 (1) it consists, in whole or in part, of any filthy, putrid, or decomposed substance;

253.13 (2) it has been produced, prepared, packed, or held under unsanitary conditions where
253.14 it may have been rendered injurious to health, or where it may have been contaminated with
253.15 filth;

253.16 (3) its container is composed, in whole or in part, of any poisonous or deleterious
253.17 substance that may render the contents injurious to health;

253.18 (4) it contains any food additives, color additives, or excipients that have been found by
253.19 the FDA to be unsafe for human or animal consumption;

253.20 (5) it contains an amount or percentage of nonintoxicating cannabinoids that is different
253.21 than the amount or percentage stated on the label;

253.22 (6) it contains more than 0.3 percent of any tetrahydrocannabinol or, if the product is
253.23 an edible cannabinoid product, an amount of tetrahydrocannabinol that exceeds the limits
253.24 established in subdivision 5a, paragraph (f); or

253.25 (7) it contains more than trace amounts of mold, residual solvents, pesticides, fertilizers,
253.26 or heavy metals.

253.27 (b) A product regulated under this section shall be considered a ~~misbranded drug~~
253.28 noncompliant product if the product's labeling is false or misleading in any manner or in
253.29 violation of the requirements of this section.

253.30 (c) ~~The board's authority to issue cease and desist orders under section 151.06; to embargo~~
253.31 ~~adulterated and misbranded drugs under section 151.38; and to seek injunctive relief under~~
253.32 ~~section 214.11, extends to any~~ commissioner may assume that any product regulated under

254.1 this section that is present in the state, other than a product lawfully possessed for personal
254.2 use, has been manufactured, imported, distributed, or stored with the intent to be offered
254.3 for sale in this state if a product of the same type and brand was sold in the state on or after
254.4 July 1, 2023, or if the product is in the possession of a person who has sold any product in
254.5 violation of this section.

254.6 (d) The commissioner may enforce this section, including enforcement against a
254.7 manufacturer or distributor of a product regulated under this section, under sections 144.989
254.8 to 144.993.

254.9 (e) The commissioner may enter into an interagency agreement with the Office of
254.10 Cannabis Management to perform inspections and take other enforcement actions on behalf
254.11 of the commissioner.

254.12 Subd. 7. **Violations; criminal penalties.** (a) Notwithstanding section 144.99, subdivision
254.13 11, a person who does any of the following regarding a product regulated under this section
254.14 is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than
254.15 one year or to payment of a fine of not more than \$3,000, or both:

254.16 (1) knowingly alters or otherwise falsifies testing results;

254.17 (2) intentionally alters or falsifies any information required to be included on the label
254.18 of an edible cannabinoid product; or

254.19 (3) intentionally makes a false material statement to the commissioner.

254.20 (b) Notwithstanding section 144.99, subdivision 11, a person who does any of the
254.21 following on the premises of a registered retailer or another business that sells retail goods
254.22 to customers is guilty of a gross misdemeanor and may be sentenced to imprisonment for
254.23 not more than one year or to payment of a fine of not more than \$3,000, or both:

254.24 (1) sells an edible cannabinoid product knowing that the product does not comply with
254.25 the limits on the amount or types of cannabinoids that a product may contain;

254.26 (2) sells an edible cannabinoid product knowing that the product does not comply with
254.27 the applicable testing, packaging, or labeling requirements; or

254.28 (3) sells an edible cannabinoid product to a person under the age of 21, except that it is
254.29 an affirmative defense to a charge under this clause if the defendant proves by a
254.30 preponderance of the evidence that the defendant reasonably and in good faith relied on
254.31 proof of age as described in subdivision 5c.

255.1 Sec. 4. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
255.2 read:

255.3 Subd. 5d. **Indian lands.** (a) "Indian lands" means all lands within the limits of any Indian
255.4 reservation within the boundaries of Minnesota and any lands within the boundaries of
255.5 Minnesota, title to which are either held in trust by the United States or over which an Indian
255.6 Tribe exercises governmental power.

255.7 (b) This subdivision expires January 1, 2024.

255.8 Sec. 5. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
255.9 read:

255.10 Subd. 15. **Tribal medical cannabis board.** (a) "Tribal medical cannabis board" means
255.11 an agency established by each federally recognized Tribal government and duly authorized
255.12 by that Tribe's governing body to perform regulatory oversight and monitor compliance
255.13 with a Tribal medical cannabis program and applicable regulations.

255.14 (b) This subdivision expires January 1, 2024.

255.15 Sec. 6. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
255.16 read:

255.17 Subd. 16. **Tribal medical cannabis program.** (a) "Tribal medical cannabis program"
255.18 means a program established by a federally recognized Tribal government within the
255.19 boundaries of Minnesota regarding the commercial production, processing, sale or
255.20 distribution, and possession of medical cannabis and medical cannabis products.

255.21 (b) This subdivision expires January 1, 2024.

255.22 Sec. 7. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
255.23 read:

255.24 Subd. 17. **Tribal medical cannabis program manufacturer.** (a) "Tribal medical
255.25 cannabis program manufacturer" means an entity designated by a Tribal medical cannabis
255.26 board within the boundaries of Minnesota or a federally recognized Tribal government
255.27 within the boundaries of Minnesota to engage in production, processing, and sale or
255.28 distribution of medical cannabis and medical cannabis products under that Tribe's Tribal
255.29 medical cannabis program.

255.30 (b) This subdivision expires January 1, 2024.

256.1 Sec. 8. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to
256.2 read:

256.3 Subd. 18. **Tribal medical cannabis program patient.** (a) "Tribal medical cannabis
256.4 program patient" means a person who possesses a valid registration verification card or
256.5 equivalent document that is issued under the laws or regulations of a Tribal nation within
256.6 the boundaries of Minnesota and that verifies that the person is enrolled in or authorized to
256.7 participate in that Tribal nation's Tribal medical cannabis program.

256.8 (b) This subdivision expires January 1, 2024.

256.9 Sec. 9. Minnesota Statutes 2022, section 152.29, subdivision 4, is amended to read:

256.10 Subd. 4. **Report.** (a) Each manufacturer shall report to the commissioner on a monthly
256.11 basis the following information on each individual patient for the month prior to the report:

256.12 (1) the amount and dosages of medical cannabis distributed;

256.13 (2) the chemical composition of the medical cannabis; and

256.14 (3) the tracking number assigned to any medical cannabis distributed.

256.15 (b) For transactions involving Tribal medical cannabis program patients, each
256.16 manufacturer shall report to the commissioner on a weekly basis the following information
256.17 on each individual Tribal medical cannabis program patient for the week prior to the report:

256.18 (1) the name of the Tribal medical cannabis program in which the Tribal medical cannabis
256.19 program patient is enrolled;

256.20 (2) the amount and dosages of medical cannabis distributed;

256.21 (3) the chemical composition of the medical cannabis distributed; and

256.22 (4) the tracking number assigned to the medical cannabis distributed.

256.23 Sec. 10. Minnesota Statutes 2022, section 152.29, is amended by adding a subdivision to
256.24 read:

256.25 Subd. 5. **Distribution to Tribal medical cannabis program patient.** (a) A manufacturer
256.26 may distribute medical cannabis in accordance with subdivisions 1 to 4 to a Tribal medical
256.27 cannabis program patient.

256.28 (b) Prior to distribution, the Tribal medical cannabis program patient must provide to
256.29 the manufacturer:

257.1 (1) a valid medical cannabis registration verification card or equivalent document issued
257.2 by a Tribal medical cannabis program that indicates that the Tribal medical cannabis program
257.3 patient is authorized to use medical cannabis on Indian lands over which the Tribe has
257.4 jurisdiction; and

257.5 (2) a valid photographic identification card issued by the Tribal medical cannabis
257.6 program, a valid driver's license, or a valid state identification card.

257.7 (c) A manufacturer shall distribute medical cannabis to a Tribal medical cannabis program
257.8 patient only in a form allowed under section 152.22, subdivision 6.

257.9 (d) This subdivision expires January 1, 2024.

257.10 Sec. 11. **[152.291] TRIBAL MEDICAL CANNABIS PROGRAM MANUFACTURER**
257.11 **TRANSPORTATION.**

257.12 (a) A Tribal medical cannabis program manufacturer may transport medical cannabis
257.13 to testing laboratories in the state and to other Indian lands.

257.14 (b) A Tribal medical cannabis program manufacturer must staff a motor vehicle used to
257.15 transport medical cannabis with at least two employees of the manufacturer. Each employee
257.16 in the transport vehicle must carry identification specifying that the employee is an employee
257.17 of the manufacturer, and one employee in the transport vehicle must carry a detailed
257.18 transportation manifest that includes the place and time of departure, the address of the
257.19 destination, and a description and count of the medical cannabis being transported.

257.20 (c) This section expires January 1, 2024.

257.21 Sec. 12. Minnesota Statutes 2022, section 152.30, is amended to read:

257.22 **152.30 PATIENT DUTIES.**

257.23 (a) A patient shall apply to the commissioner for enrollment in the registry program by
257.24 submitting an application as required in section 152.27 and an annual registration fee as
257.25 determined under section 152.35.

257.26 (b) As a condition of continued enrollment, patients shall agree to:

257.27 (1) continue to receive regularly scheduled treatment for their qualifying medical
257.28 condition from their health care practitioner; and

257.29 (2) report changes in their qualifying medical condition to their health care practitioner.

258.1 (c) A patient shall only receive medical cannabis from a registered manufacturer or
258.2 Tribal medical cannabis program but is not required to receive medical cannabis products
258.3 from only a registered manufacturer or Tribal medical cannabis program.

258.4 Sec. 13. Minnesota Statutes 2022, section 152.32, is amended to read:

258.5 **152.32 PROTECTIONS FOR REGISTRY PROGRAM OR TRIBAL MEDICAL**
258.6 **CANNABIS PROGRAM PARTICIPATION.**

258.7 Subdivision 1. **Presumption.** (a) There is a presumption that a patient enrolled in the
258.8 registry program under sections 152.22 to 152.37 or a Tribal medical cannabis program
258.9 patient is engaged in the authorized use of medical cannabis.

258.10 (b) The presumption may be rebutted by evidence that:

258.11 (1) a patient's conduct related to use of medical cannabis was not for the purpose of
258.12 treating or alleviating the patient's qualifying medical condition or symptoms associated
258.13 with the patient's qualifying medical condition; or

258.14 (2) a Tribal medical cannabis program patient's use of medical cannabis was not for a
258.15 purpose authorized by the Tribal medical cannabis program.

258.16 Subd. 2. **Criminal and civil protections.** (a) Subject to section 152.23, the following
258.17 are not violations under this chapter:

258.18 (1) use or possession of medical cannabis or medical cannabis products by a patient
258.19 enrolled in the registry program; ~~or~~; possession by a registered designated caregiver or the
258.20 parent, legal guardian, or spouse of a patient if the parent, legal guardian, or spouse is listed
258.21 on the registry verification; or use or possession of medical cannabis or medical cannabis
258.22 products by a Tribal medical cannabis program patient;

258.23 (2) possession, dosage determination, or sale of medical cannabis or medical cannabis
258.24 products by a medical cannabis manufacturer, employees of a manufacturer, a Tribal medical
258.25 cannabis program manufacturer, employees of a Tribal medical cannabis program
258.26 manufacturer, a laboratory conducting testing on medical cannabis, or employees of the
258.27 laboratory; and

258.28 (3) possession of medical cannabis or medical cannabis products by any person while
258.29 carrying out the duties required under sections 152.22 to 152.37.

258.30 (b) Medical cannabis obtained and distributed pursuant to sections 152.22 to 152.37 and
258.31 associated property is not subject to forfeiture under sections 609.531 to 609.5316.

259.1 (c) The commissioner, members of a Tribal medical cannabis board, the commissioner's
259.2 or Tribal medical cannabis board's staff, the commissioner's or Tribal medical cannabis
259.3 board's agents or contractors, and any health care practitioner are not subject to any civil or
259.4 disciplinary penalties by the Board of Medical Practice, the Board of Nursing, or by any
259.5 business, occupational, or professional licensing board or entity, solely for ~~the~~ participation
259.6 in the registry program under sections 152.22 to 152.37 or in a Tribal medical cannabis
259.7 program. A pharmacist licensed under chapter 151 is not subject to any civil or disciplinary
259.8 penalties by the Board of Pharmacy when acting in accordance with the provisions of
259.9 sections 152.22 to 152.37. Nothing in this section affects a professional licensing board
259.10 from taking action in response to violations of any other section of law.

259.11 (d) Notwithstanding any law to the contrary, the commissioner, the governor of
259.12 Minnesota, or an employee of any state agency may not be held civilly or criminally liable
259.13 for any injury, loss of property, personal injury, or death caused by any act or omission
259.14 while acting within the scope of office or employment under sections 152.22 to 152.37.

259.15 (e) Federal, state, and local law enforcement authorities are prohibited from accessing
259.16 the patient registry under sections 152.22 to 152.37 except when acting pursuant to a valid
259.17 search warrant.

259.18 (f) Notwithstanding any law to the contrary, neither the commissioner nor a public
259.19 employee may release data or information about an individual contained in any report,
259.20 document, or registry created under sections 152.22 to 152.37 or any information obtained
259.21 about a patient participating in the program, except as provided in sections 152.22 to 152.37.

259.22 (g) No information contained in a report, document, or registry or obtained from a patient
259.23 under sections 152.22 to 152.37 or from a Tribal medical cannabis program patient may be
259.24 admitted as evidence in a criminal proceeding unless independently obtained or in connection
259.25 with a proceeding involving a violation of sections 152.22 to 152.37.

259.26 (h) Notwithstanding section 13.09, any person who violates paragraph (e) or (f) is guilty
259.27 of a gross misdemeanor.

259.28 (i) An attorney may not be subject to disciplinary action by the Minnesota Supreme
259.29 Court, a Tribal court, or the professional responsibility board for providing legal assistance
259.30 to prospective or registered manufacturers or others related to activity that is no longer
259.31 subject to criminal penalties under state law pursuant to sections 152.22 to 152.37, or for
259.32 providing legal assistance to a Tribal medical cannabis program or a Tribal medical cannabis
259.33 program manufacturer.

(j) ~~Possession of a registry verification or application for enrollment in the program by a person entitled to possess or apply for enrollment in the registry program does~~ The following do not constitute probable cause or reasonable suspicion, nor and shall it not be used to support a search of the person or property of the person possessing or applying for the registry verification or equivalent, or otherwise subject the person or property of the person to inspection by any governmental agency;

(1) possession of a registry verification or application for enrollment in the registry program by a person entitled to possess a registry verification or apply for enrollment in the registry program; or

(2) possession of a verification or equivalent issued by a Tribal medical cannabis program or application for enrollment in a Tribal medical cannabis program by a person entitled to possess such a verification or application.

Subd. 3. **Discrimination prohibited.** (a) No school or landlord may refuse to enroll or lease to and may not otherwise penalize a person solely for the person's status as a patient enrolled in the registry program under sections 152.22 to 152.37 or for the person's status as a Tribal medical cannabis program patient, unless failing to do so would violate federal law or regulations or cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulations.

(b) For the purposes of medical care, including organ transplants, a registry program enrollee's use of medical cannabis under sections 152.22 to 152.37, or a Tribal medical cannabis program patient's use of medical cannabis as authorized by the Tribal medical cannabis program, is considered the equivalent of the authorized use of any other medication used at the discretion of a physician, advanced practice registered nurse, or physician assistant and does not constitute the use of an illicit substance or otherwise disqualify a patient from needed medical care.

(c) Unless a failure to do so would violate federal law or regulations or cause an employer to lose a monetary or licensing-related benefit under federal law or regulations, an employer may not discriminate against a person in hiring, termination, or any term or condition of employment, or otherwise penalize a person, if the discrimination is based upon ~~either~~ any of the following:

(1) the person's status as a patient enrolled in the registry program under sections 152.22 to 152.37; or

(2) the person's status as a Tribal medical cannabis program patient; or

261.1 ~~(2)~~ (3) a patient's positive drug test for cannabis components or metabolites, unless the
261.2 patient used, possessed, or was impaired by medical cannabis on the premises of the place
261.3 of employment or during the hours of employment.

261.4 (d) An employee who is required to undergo employer drug testing pursuant to section
261.5 181.953 may present verification of enrollment in the patient registry or of enrollment in a
261.6 Tribal medical cannabis program as part of the employee's explanation under section 181.953,
261.7 subdivision 6.

261.8 (e) A person shall not be denied custody of a minor child or visitation rights or parenting
261.9 time with a minor child solely based on the person's status as a patient enrolled in the registry
261.10 program under sections 152.22 to 152.37, or on the person's status as a Tribal medical
261.11 cannabis program patient. There shall be no presumption of neglect or child endangerment
261.12 for conduct allowed under sections 152.22 to 152.37 or under a Tribal medical cannabis
261.13 program, unless the person's behavior is such that it creates an unreasonable danger to the
261.14 safety of the minor as established by clear and convincing evidence.

261.15 Sec. 14. Minnesota Statutes 2022, section 152.33, subdivision 1, is amended to read:

261.16 Subdivision 1. **Intentional diversion; criminal penalty.** In addition to any other
261.17 applicable penalty in law, a manufacturer or an agent of a manufacturer who intentionally
261.18 transfers medical cannabis to a person other than another registered manufacturer, a patient,
261.19 a Tribal medical cannabis program patient, a registered designated caregiver or, if listed on
261.20 the registry verification, a parent, legal guardian, or spouse of a patient is guilty of a felony
261.21 punishable by imprisonment for not more than two years or by payment of a fine of not
261.22 more than \$3,000, or both. A person convicted under this subdivision may not continue to
261.23 be affiliated with the manufacturer and is disqualified from further participation under
261.24 sections 152.22 to 152.37.

261.25 Sec. 15. Minnesota Statutes 2022, section 340A.412, subdivision 14, is amended to read:

261.26 Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision,
261.27 an exclusive liquor store may sell only the following items:

261.28 (1) alcoholic beverages;

261.29 (2) tobacco products;

261.30 (3) ice;

261.31 (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating
261.32 liquor;

- 262.1 (5) soft drinks;
- 262.2 (6) liqueur-filled candies;
- 262.3 (7) food products that contain more than one-half of one percent alcohol by volume;
- 262.4 (8) cork extraction devices;
- 262.5 (9) books and videos on the use of alcoholic beverages;
- 262.6 (10) magazines and other publications published primarily for information and education
- 262.7 on alcoholic beverages;
- 262.8 (11) multiple-use bags designed to carry purchased items;
- 262.9 (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to
- 262.10 prevent access by underage drinkers;
- 262.11 (13) home brewing equipment;
- 262.12 (14) clothing marked with the specific name, brand, or identifying logo of the exclusive
- 262.13 liquor store, and bearing no other name, brand, or identifying logo;
- 262.14 (15) citrus fruit; ~~and~~
- 262.15 (16) glassware; and
- 262.16 (17) edible cannabinoid products as defined in section 151.72, subdivision 1, paragraph
- 262.17 (f). This clause expires July 1, 2024.
- 262.18 (b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale
- 262.19 license may sell food for on-premise consumption when authorized by the municipality
- 262.20 issuing the license.
- 262.21 (c) An exclusive liquor store may offer live or recorded entertainment.
- 262.22 Sec. 16. **EDIBLE CANNABINOID PRODUCTS; ENFORCEMENT.**
- 262.23 (a) The Department of Health shall enforce the provisions of Minnesota Statutes, section
- 262.24 151.72, and all rules, orders, stipulation agreements, settlements, compliance agreements,
- 262.25 and registrations related to that section adopted or issued by the Office of Medical Cannabis
- 262.26 or the Department of Health pursuant to the Health Enforcement Consolidation Act of 1993
- 262.27 contained in Minnesota Statutes, sections 144.989 to 144.993. The commissioner of health
- 262.28 may assign enforcement responsibilities to the Office of Medical Cannabis.
- 262.29 (b) The enforcement authority under paragraph (a) shall transfer to the Office of Cannabis
- 262.30 Management at any such time that the powers and duties of the Department of Health, with

263.1 respect to the medical cannabis program under Minnesota Statutes 2022, sections 152.22
263.2 to 152.37, are transferred to the Office of Cannabis Management. The director of the Office
263.3 of Cannabis Management may assign enforcement responsibilities to the Division of Medical
263.4 Cannabis.

263.5 (c) This section shall expire on July 1, 2024.

263.6 Sec. 17. **EFFECTIVE DATE.**

263.7 This article is effective the day following final enactment.

263.8 ARTICLE 8

263.9 SCHEDULING OF MARIJUANA

263.10 Section 1. Minnesota Statutes 2022, section 152.02, subdivision 2, is amended to read:

263.11 Subd. 2. **Schedule I.** (a) Schedule I consists of the substances listed in this subdivision.

263.12 (b) Opiates. Unless specifically excepted or unless listed in another schedule, any of the
263.13 following substances, including their analogs, isomers, esters, ethers, salts, and salts of
263.14 isomers, esters, and ethers, whenever the existence of the analogs, isomers, esters, ethers,
263.15 and salts is possible:

263.16 (1) acetylmethadol;

263.17 (2) allylprodine;

263.18 (3) alphacetylmethadol (except levo-alphacetylmethadol, also known as levomethadyl
263.19 acetate);

263.20 (4) alphameprodine;

263.21 (5) alphamethadol;

263.22 (6) alpha-methylfentanyl benzethidine;

263.23 (7) betacetylmethadol;

263.24 (8) betameprodine;

263.25 (9) betamethadol;

263.26 (10) betaproline;

263.27 (11) clonitazene;

263.28 (12) dextromoramide;

- 264.1 (13) diampromide;
- 264.2 (14) diethylambutene;
- 264.3 (15) difenoxin;
- 264.4 (16) dimenoxadol;
- 264.5 (17) dimepheptanol;
- 264.6 (18) dimethylambutene;
- 264.7 (19) dioxaphetyl butyrate;
- 264.8 (20) dipipanone;
- 264.9 (21) ethylmethylthiambutene;
- 264.10 (22) etonitazene;
- 264.11 (23) etoxeridine;
- 264.12 (24) furethidine;
- 264.13 (25) hydroxypethidine;
- 264.14 (26) ketobemidone;
- 264.15 (27) levomoramide;
- 264.16 (28) levophenacylmorphane;
- 264.17 (29) 3-methylfentanyl;
- 264.18 (30) acetyl-alpha-methylfentanyl;
- 264.19 (31) alpha-methylthiofentanyl;
- 264.20 (32) benzylfentanyl beta-hydroxyfentanyl;
- 264.21 (33) beta-hydroxy-3-methylfentanyl;
- 264.22 (34) 3-methylthiofentanyl;
- 264.23 (35) thenylfentanyl;
- 264.24 (36) thiofentanyl;
- 264.25 (37) para-fluorofentanyl;
- 264.26 (38) morpheridine;
- 264.27 (39) 1-methyl-4-phenyl-4-propionoxypiperidine;

- 265.1 (40) noracymethadol;
- 265.2 (41) norlevorphanol;
- 265.3 (42) normethadone;
- 265.4 (43) norpipanone;
- 265.5 (44) 1-(2-phenylethyl)-4-phenyl-4-acetoxypiperidine (PEPAP);
- 265.6 (45) phenadoxone;
- 265.7 (46) phenampromide;
- 265.8 (47) phenomorphan;
- 265.9 (48) phenoperidine;
- 265.10 (49) piritramide;
- 265.11 (50) proheptazine;
- 265.12 (51) properidine;
- 265.13 (52) propiram;
- 265.14 (53) racemoramide;
- 265.15 (54) tilidine;
- 265.16 (55) trimeperidine;
- 265.17 (56) N-(1-Phenethylpiperidin-4-yl)-N-phenylacetamide (acetyl fentanyl);
- 265.18 (57) 3,4-dichloro-N-[(1R,2R)-2-(dimethylamino)cyclohexyl]-N-
- 265.19 methylbenzamide(U47700);
- 265.20 (58) N-phenyl-N-[1-(2-phenylethyl)piperidin-4-yl]furan-2-carboxamide(furanylfentanyl);
- 265.21 (59) 4-(4-bromophenyl)-4-dimethylamino-1-phenethylcyclohexanol (bromadol);
- 265.22 (60) N-(1-phenethylpiperidin-4-yl)-N-phenylcyclopropanecarboxamide (Cyclopropyl
- 265.23 fentanyl);
- 265.24 (61) N-(1-phenethylpiperidin-4-yl)-N-phenylbutanamide) (butyryl fentanyl);
- 265.25 (62) 1-cyclohexyl-4-(1,2-diphenylethyl)piperazine) (MT-45);
- 265.26 (63) N-(1-phenethylpiperidin-4-yl)-N-phenylcyclopentanecarboxamide (cyclopentyl
- 265.27 fentanyl);
- 265.28 (64) N-(1-phenethylpiperidin-4-yl)-N-phenylisobutyramide (isobutyryl fentanyl);

- 266.1 (65) N-(1-phenethylpiperidin-4-yl)-N-phenylpentanamide (valeryl fentanyl);
- 266.2 (66) N-(4-chlorophenyl)-N-(1-phenethylpiperidin-4-yl)isobutyramide
- 266.3 (para-chloroisobutyryl fentanyl);
- 266.4 (67) N-(4-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)butyramide (para-fluorobutyryl
- 266.5 fentanyl);
- 266.6 (68) N-(4-methoxyphenyl)-N-(1-phenethylpiperidin-4-yl)butyramide
- 266.7 (para-methoxybutyryl fentanyl);
- 266.8 (69) N-(2-fluorophenyl)-2-methoxy-N-(1-phenethylpiperidin-4-yl)acetamide (ocfentanil);
- 266.9 (70) N-(4-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)isobutyramide (4-fluoroisobutyryl
- 266.10 fentanyl or para-fluoroisobutyryl fentanyl);
- 266.11 (71) N-(1-phenethylpiperidin-4-yl)-N-phenylacrylamide (acryl fentanyl or
- 266.12 acryloylfentanyl);
- 266.13 (72) 2-methoxy-N-(1-phenethylpiperidin-4-yl)-N-phenylacetamide (methoxyacetyl
- 266.14 fentanyl);
- 266.15 (73) N-(2-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)propionamide (ortho-fluorofentanyl
- 266.16 or 2-fluorofentanyl);
- 266.17 (74) N-(1-phenethylpiperidin-4-yl)-N-phenyltetrahydrofuran-2-carboxamide
- 266.18 (tetrahydrofuranyl fentanyl); and
- 266.19 (75) Fentanyl-related substances, their isomers, esters, ethers, salts and salts of isomers,
- 266.20 esters and ethers, meaning any substance not otherwise listed under another federal
- 266.21 Administration Controlled Substance Code Number or not otherwise listed in this section,
- 266.22 and for which no exemption or approval is in effect under section 505 of the Federal Food,
- 266.23 Drug, and Cosmetic Act, United States Code , title 21, section 355, that is structurally related
- 266.24 to fentanyl by one or more of the following modifications:
- 266.25 (i) replacement of the phenyl portion of the phenethyl group by any monocycle, whether
- 266.26 or not further substituted in or on the monocycle;
- 266.27 (ii) substitution in or on the phenethyl group with alkyl, alkenyl, alkoxyl, hydroxyl, halo,
- 266.28 haloalkyl, amino, or nitro groups;
- 266.29 (iii) substitution in or on the piperidine ring with alkyl, alkenyl, alkoxyl, ester, ether,
- 266.30 hydroxyl, halo, haloalkyl, amino, or nitro groups;

- 267.1 (iv) replacement of the aniline ring with any aromatic monocycle whether or not further
267.2 substituted in or on the aromatic monocycle; or
- 267.3 (v) replacement of the N-propionyl group by another acyl group.
- 267.4 (c) Opium derivatives. Any of the following substances, their analogs, salts, isomers,
267.5 and salts of isomers, unless specifically excepted or unless listed in another schedule,
267.6 whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:
- 267.7 (1) acetorphine;
- 267.8 (2) acetyldihydrocodeine;
- 267.9 (3) benzylmorphine;
- 267.10 (4) codeine methylbromide;
- 267.11 (5) codeine-n-oxide;
- 267.12 (6) cyprenorphine;
- 267.13 (7) desomorphine;
- 267.14 (8) dihydromorphine;
- 267.15 (9) drotebanol;
- 267.16 (10) etorphine;
- 267.17 (11) heroin;
- 267.18 (12) hydromorphenol;
- 267.19 (13) methyl-desorphine;
- 267.20 (14) methyldihydromorphine;
- 267.21 (15) morphine methylbromide;
- 267.22 (16) morphine methylsulfonate;
- 267.23 (17) morphine-n-oxide;
- 267.24 (18) myrophine;
- 267.25 (19) nicocodeine;
- 267.26 (20) nicomorphine;
- 267.27 (21) normorphine;
- 267.28 (22) pholcodine; and

268.1 (23) thebacon.

268.2 (d) Hallucinogens. Any material, compound, mixture or preparation which contains any
268.3 quantity of the following substances, their analogs, salts, isomers (whether optical, positional,
268.4 or geometric), and salts of isomers, unless specifically excepted or unless listed in another
268.5 schedule, whenever the existence of the analogs, salts, isomers, and salts of isomers is
268.6 possible:

268.7 (1) methylenedioxy amphetamine;

268.8 (2) methylenedioxymethamphetamine;

268.9 (3) methylenedioxy-N-ethylamphetamine (MDEA);

268.10 (4) n-hydroxy-methylenedioxyamphetamine;

268.11 (5) 4-bromo-2,5-dimethoxyamphetamine (DOB);

268.12 (6) 2,5-dimethoxyamphetamine (2,5-DMA);

268.13 (7) 4-methoxyamphetamine;

268.14 (8) 5-methoxy-3, 4-methylenedioxyamphetamine;

268.15 (9) alpha-ethyltryptamine;

268.16 (10) bufotenine;

268.17 (11) diethyltryptamine;

268.18 (12) dimethyltryptamine;

268.19 (13) 3,4,5-trimethoxyamphetamine;

268.20 (14) 4-methyl-2, 5-dimethoxyamphetamine (DOM);

268.21 (15) ibogaine;

268.22 (16) lysergic acid diethylamide (LSD);

268.23 (17) mescaline;

268.24 (18) parahexyl;

268.25 (19) N-ethyl-3-piperidyl benzilate;

268.26 (20) N-methyl-3-piperidyl benzilate;

268.27 (21) psilocybin;

268.28 (22) psilocyn;

- 269.1 (23) tenocyclidine (TPCP or TCP);
- 269.2 (24) N-ethyl-1-phenyl-cyclohexylamine (PCE);
- 269.3 (25) 1-(1-phenylcyclohexyl) pyrrolidine (PCPy);
- 269.4 (26) 1-[1-(2-thienyl)cyclohexyl]-pyrrolidine (TCPy);
- 269.5 (27) 4-chloro-2,5-dimethoxyamphetamine (DOC);
- 269.6 (28) 4-ethyl-2,5-dimethoxyamphetamine (DOET);
- 269.7 (29) 4-iodo-2,5-dimethoxyamphetamine (DOI);
- 269.8 (30) 4-bromo-2,5-dimethoxyphenethylamine (2C-B);
- 269.9 (31) 4-chloro-2,5-dimethoxyphenethylamine (2C-C);
- 269.10 (32) 4-methyl-2,5-dimethoxyphenethylamine (2C-D);
- 269.11 (33) 4-ethyl-2,5-dimethoxyphenethylamine (2C-E);
- 269.12 (34) 4-iodo-2,5-dimethoxyphenethylamine (2C-I);
- 269.13 (35) 4-propyl-2,5-dimethoxyphenethylamine (2C-P);
- 269.14 (36) 4-isopropylthio-2,5-dimethoxyphenethylamine (2C-T-4);
- 269.15 (37) 4-propylthio-2,5-dimethoxyphenethylamine (2C-T-7);
- 269.16 (38) 2-(8-bromo-2,3,6,7-tetrahydrofuro [2,3-f][1]benzofuran-4-yl)ethanamine
- 269.17 (2-CB-FLY);
- 269.18 (39) bromo-benzodifuranyl-isopropylamine (Bromo-DragonFLY);
- 269.19 (40) alpha-methyltryptamine (AMT);
- 269.20 (41) N,N-diisopropyltryptamine (DiPT);
- 269.21 (42) 4-acetoxy-N,N-dimethyltryptamine (4-AcO-DMT);
- 269.22 (43) 4-acetoxy-N,N-diethyltryptamine (4-AcO-DET);
- 269.23 (44) 4-hydroxy-N-methyl-N-propyltryptamine (4-HO-MPT);
- 269.24 (45) 4-hydroxy-N,N-dipropyltryptamine (4-HO-DPT);
- 269.25 (46) 4-hydroxy-N,N-diallyltryptamine (4-HO-DALT);
- 269.26 (47) 4-hydroxy-N,N-diisopropyltryptamine (4-HO-DiPT);
- 269.27 (48) 5-methoxy-N,N-diisopropyltryptamine (5-MeO-DiPT);

- 270.1 (49) 5-methoxy- α -methyltryptamine (5-MeO-AMT);
- 270.2 (50) 5-methoxy-N,N-dimethyltryptamine (5-MeO-DMT);
- 270.3 (51) 5-methylthio-N,N-dimethyltryptamine (5-MeS-DMT);
- 270.4 (52) 5-methoxy-N-methyl-N-isopropyltryptamine (5-MeO-MiPT);
- 270.5 (53) 5-methoxy- α -ethyltryptamine (5-MeO-AET);
- 270.6 (54) 5-methoxy-N,N-dipropyltryptamine (5-MeO-DPT);
- 270.7 (55) 5-methoxy-N,N-diethyltryptamine (5-MeO-DET);
- 270.8 (56) 5-methoxy-N,N-diallyltryptamine (5-MeO-DALT);
- 270.9 (57) methoxetamine (MXE);
- 270.10 (58) 5-iodo-2-aminoindane (5-IAI);
- 270.11 (59) 5,6-methylenedioxy-2-aminoindane (MDAI);
- 270.12 (60) 2-(4-bromo-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (25B-NBOMe);
- 270.13 (61) 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (25C-NBOMe);
- 270.14 (62) 2-(4-iodo-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (25I-NBOMe);
- 270.15 (63) 2-(2,5-Dimethoxyphenyl)ethanamine (2C-H);
- 270.16 (64) 2-(4-Ethylthio-2,5-dimethoxyphenyl)ethanamine (2C-T-2);
- 270.17 (65) N,N-Dipropyltryptamine (DPT);
- 270.18 (66) 3-[1-(Piperidin-1-yl)cyclohexyl]phenol (3-HO-PCP);
- 270.19 (67) N-ethyl-1-(3-methoxyphenyl)cyclohexanamine (3-MeO-PCE);
- 270.20 (68) 4-[1-(3-methoxyphenyl)cyclohexyl]morpholine (3-MeO-PCMo);
- 270.21 (69) 1-[1-(4-methoxyphenyl)cyclohexyl]-piperidine (methoxydine, 4-MeO-PCP);
- 270.22 (70) 2-(2-Chlorophenyl)-2-(ethylamino)cyclohexan-1-one (N-Ethyl-norketamine,
- 270.23 ethketamine, NENK);
- 270.24 (71) methylenedioxy-N,N-dimethylamphetamine (MDDMA);
- 270.25 (72) 3-(2-Ethyl(methyl)aminoethyl)-1H-indol-4-yl (4-AcO-MET); and
- 270.26 (73) 2-Phenyl-2-(methylamino)cyclohexanone (deschloroketamine).
- 270.27 (e) Peyote. All parts of the plant presently classified botanically as *Lophophora williamsii*
- 270.28 Lemaire, whether growing or not, the seeds thereof, any extract from any part of the plant,

271.1 and every compound, manufacture, salts, derivative, mixture, or preparation of the plant,
271.2 its seeds or extracts. The listing of peyote as a controlled substance in Schedule I does not
271.3 apply to the nondrug use of peyote in bona fide religious ceremonies of the American Indian
271.4 Church, and members of the American Indian Church are exempt from registration. Any
271.5 person who manufactures peyote for or distributes peyote to the American Indian Church,
271.6 however, is required to obtain federal registration annually and to comply with all other
271.7 requirements of law.

271.8 (f) Central nervous system depressants. Unless specifically excepted or unless listed in
271.9 another schedule, any material compound, mixture, or preparation which contains any
271.10 quantity of the following substances, their analogs, salts, isomers, and salts of isomers
271.11 whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

271.12 (1) mecloqualone;

271.13 (2) methaqualone;

271.14 (3) gamma-hydroxybutyric acid (GHB), including its esters and ethers;

271.15 (4) flunitrazepam;

271.16 (5) 2-(2-Methoxyphenyl)-2-(methylamino)cyclohexanone (2-MeO-2-deschloroketamine,
271.17 methoxyketamine);

271.18 (6) tianeptine;

271.19 (7) clonazepam;

271.20 (8) etizolam;

271.21 (9) flubromazepam; and

271.22 (10) flubromazepam.

271.23 (g) Stimulants. Unless specifically excepted or unless listed in another schedule, any
271.24 material compound, mixture, or preparation which contains any quantity of the following
271.25 substances, their analogs, salts, isomers, and salts of isomers whenever the existence of the
271.26 analogs, salts, isomers, and salts of isomers is possible:

271.27 (1) aminorex;

271.28 (2) cathinone;

271.29 (3) fenethylamine;

271.30 (4) methcathinone;

- 272.1 (5) methylaminorex;
- 272.2 (6) N,N-dimethylamphetamine;
- 272.3 (7) N-benzylpiperazine (BZP);
- 272.4 (8) methylmethcathinone (mephedrone);
- 272.5 (9) 3,4-methylenedioxy-N-methylcathinone (methydone);
- 272.6 (10) methoxymethcathinone (methedrone);
- 272.7 (11) methylenedioxypyrovalerone (MDPV);
- 272.8 (12) 3-fluoro-N-methylcathinone (3-FMC);
- 272.9 (13) methylethcathinone (MEC);
- 272.10 (14) 1-benzofuran-6-ylpropan-2-amine (6-APB);
- 272.11 (15) dimethylmethcathinone (DMMC);
- 272.12 (16) fluoroamphetamine;
- 272.13 (17) fluoromethamphetamine;
- 272.14 (18) α -methylaminobutyrophenone (MABP or buphedrone);
- 272.15 (19) 1-(1,3-benzodioxol-5-yl)-2-(methylamino)butan-1-one (butylone);
- 272.16 (20) 2-(methylamino)-1-(4-methylphenyl)butan-1-one (4-MEMABP or BZ-6378);
- 272.17 (21) 1-(naphthalen-2-yl)-2-(pyrrolidin-1-yl) pentan-1-one (naphthylpyrovalerone or
- 272.18 naphyrone);
- 272.19 (22) (alpha-pyrrolidinopentiophenone (alpha-PVP);
- 272.20 (23) (RS)-1-(4-methylphenyl)-2-(1-pyrrolidinyl)-1-hexanone (4-Me-PHP or MPHP);
- 272.21 (24) 2-(1-pyrrolidinyl)-hexanophenone (Alpha-PHP);
- 272.22 (25) 4-methyl-N-ethylcathinone (4-MEC);
- 272.23 (26) 4-methyl-alpha-pyrrolidinopropiophenone (4-MePPP);
- 272.24 (27) 2-(methylamino)-1-phenylpentan-1-one (pentedrone);
- 272.25 (28) 1-(1,3-benzodioxol-5-yl)-2-(methylamino)pentan-1-one (pentylone);
- 272.26 (29) 4-fluoro-N-methylcathinone (4-FMC);
- 272.27 (30) 3,4-methylenedioxy-N-ethylcathinone (ethylone);

- 273.1 (31) alpha-pyrrolidinobutiophenone (α -PBP);
- 273.2 (32) 5-(2-Aminopropyl)-2,3-dihydrobenzofuran (5-APDB);
- 273.3 (33) 1-phenyl-2-(1-pyrrolidiny)-1-heptanone (PV8);
- 273.4 (34) 6-(2-Aminopropyl)-2,3-dihydrobenzofuran (6-APDB);
- 273.5 (35) 4-methyl-alpha-ethylaminopentiophenone (4-MEAPP);
- 273.6 (36) 4'-chloro-alpha-pyrrolidinopropiophenone (4'-chloro-PPP);
- 273.7 (37) 1-(1,3-Benzodioxol-5-yl)-2-(dimethylamino)butan-1-one (dibutylone, bk-DMBDB);
- 273.8 (38) 1-(3-chlorophenyl) piperazine (meta-chlorophenylpiperazine or mCPP);
- 273.9 (39) 1-(1,3-benzodioxol-5-yl)-2-(ethylamino)-pentan-1-one (N-ethylpentylone, ephylone);
- 273.10 and
- 273.11 (40) any other substance, except bupropion or compounds listed under a different
- 273.12 schedule, that is structurally derived from 2-aminopropan-1-one by substitution at the
- 273.13 1-position with either phenyl, naphthyl, or thiophene ring systems, whether or not the
- 273.14 compound is further modified in any of the following ways:
- 273.15 (i) by substitution in the ring system to any extent with alkyl, alkylenedioxy, alkoxy,
- 273.16 haloalkyl, hydroxyl, or halide substituents, whether or not further substituted in the ring
- 273.17 system by one or more other univalent substituents;
- 273.18 (ii) by substitution at the 3-position with an acyclic alkyl substituent;
- 273.19 (iii) by substitution at the 2-amino nitrogen atom with alkyl, dialkyl, benzyl, or
- 273.20 methoxybenzyl groups; or
- 273.21 (iv) by inclusion of the 2-amino nitrogen atom in a cyclic structure.
- 273.22 ~~(h) Marijuana, tetrahydrocannabinols, and synthetic cannabinoids. Unless specifically~~
- 273.23 ~~excepted or unless listed in another schedule, any natural or synthetic material, compound,~~
- 273.24 ~~mixture, or preparation that contains any quantity of the following substances, their analogs,~~
- 273.25 ~~isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence~~
- 273.26 ~~of the isomers, esters, ethers, or salts is possible:~~
- 273.27 ~~(1) marijuana;~~
- 273.28 ~~(2) tetrahydrocannabinols naturally contained in a plant of the genus Cannabis, except~~
- 273.29 ~~that tetrahydrocannabinols do not include any material, compound, mixture, or preparation~~
- 273.30 ~~that qualifies as industrial hemp as defined in section 18K.02, subdivision 3; synthetic~~
- 273.31 ~~equivalents of the substances contained in the cannabis plant or in the resinous extractives~~

274.1 ~~of the plant; or synthetic substances with similar chemical structure and pharmacological~~
274.2 ~~activity to those substances contained in the plant or resinous extract, including, but not~~
274.3 ~~limited to, 1-cis or trans tetrahydrocannabinol, 6-cis or trans tetrahydrocannabinol, and 3,4~~
274.4 ~~cis or trans tetrahydrocannabinol;~~

274.5 ~~(3)~~ (h) Synthetic Artificial cannabinoids, including the following substances:

274.6 ~~(i)~~ (1) Naphthoylindoles, which are any compounds containing a 3-(1-naphthoyl)indole
274.7 structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,
274.8 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
274.9 2-(4-morpholinyl)ethyl group, whether or not further substituted in the indole ring to any
274.10 extent and whether or not substituted in the naphthyl ring to any extent. Examples of
274.11 naphthoylindoles include, but are not limited to:

274.12 ~~(A)~~ (i) 1-Pentyl-3-(1-naphthoyl)indole (JWH-018 and AM-678);

274.13 ~~(B)~~ (ii) 1-Butyl-3-(1-naphthoyl)indole (JWH-073);

274.14 ~~(C)~~ (iii) 1-Pentyl-3-(4-methoxy-1-naphthoyl)indole (JWH-081);

274.15 ~~(D)~~ (iv) 1-[2-(4-morpholinyl)ethyl]-3-(1-naphthoyl)indole (JWH-200);

274.16 ~~(E)~~ (v) 1-Propyl-2-methyl-3-(1-naphthoyl)indole (JWH-015);

274.17 ~~(F)~~ (vi) 1-Hexyl-3-(1-naphthoyl)indole (JWH-019);

274.18 ~~(G)~~ (vii) 1-Pentyl-3-(4-methyl-1-naphthoyl)indole (JWH-122);

274.19 ~~(H)~~ (viii) 1-Pentyl-3-(4-ethyl-1-naphthoyl)indole (JWH-210);

274.20 ~~(I)~~ (ix) 1-Pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398);

274.21 ~~(J)~~ (x) 1-(5-fluoropentyl)-3-(1-naphthoyl)indole (AM-2201).

274.22 ~~(ii)~~ (2) Naphthylmethylinindoles, which are any compounds containing a
274.23 1H-indol-3-yl-(1-naphthyl)methane structure with substitution at the nitrogen atom of the
274.24 indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
274.25 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further
274.26 substituted in the indole ring to any extent and whether or not substituted in the naphthyl
274.27 ring to any extent. Examples of naphthylmethylinindoles include, but are not limited to:

274.28 ~~(A)~~ (i) 1-Pentyl-1H-indol-3-yl-(1-naphthyl)methane (JWH-175);

274.29 ~~(B)~~ (ii) 1-Pentyl-1H-indol-3-yl-(4-methyl-1-naphthyl)methane (JWH-184).

274.30 ~~(iii)~~ (3) Naphthoylpyrroles, which are any compounds containing a 3-(1-naphthoyl)pyrrole
274.31 structure with substitution at the nitrogen atom of the pyrrole ring by an alkyl, haloalkyl,

275.1 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
275.2 2-(4-morpholinyl)ethyl group whether or not further substituted in the pyrrole ring to any
275.3 extent, whether or not substituted in the naphthyl ring to any extent. Examples of
275.4 naphthoylpyrroles include, but are not limited to,
275.5 (5-(2-fluorophenyl)-1-pentylpyrrol-3-yl)-naphthalen-1-ylmethanone (JWH-307).

275.6 ~~(iv)~~ (4) Naphthylmethylindenes, which are any compounds containing a
275.7 naphthylideneindene structure with substitution at the 3-position of the indene ring by an
275.8 alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
275.9 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further
275.10 substituted in the indene ring to any extent, whether or not substituted in the naphthyl ring
275.11 to any extent. Examples of naphthylemethylindenes include, but are not limited to,
275.12 E-1-[1-(1-naphthalenylmethylene)-1H-inden-3-yl]pentane (JWH-176).

275.13 ~~(v)~~ (5) Phenylacetylindoles, which are any compounds containing a 3-phenylacetylindole
275.14 structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,
275.15 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
275.16 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any
275.17 extent, whether or not substituted in the phenyl ring to any extent. Examples of
275.18 phenylacetylindoles include, but are not limited to:

275.19 ~~(A)~~ (i) 1-(2-cyclohexylethyl)-3-(2-methoxyphenylacetyl)indole (RCS-8);

275.20 ~~(B)~~ (ii) 1-pentyl-3-(2-methoxyphenylacetyl)indole (JWH-250);

275.21 ~~(C)~~ (iii) 1-pentyl-3-(2-methylphenylacetyl)indole (JWH-251);

275.22 ~~(D)~~ (iv) 1-pentyl-3-(2-chlorophenylacetyl)indole (JWH-203).

275.23 ~~(vi)~~ (6) Cyclohexylphenols, which are compounds containing a
275.24 2-(3-hydroxycyclohexyl)phenol structure with substitution at the 5-position of the phenolic
275.25 ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
275.26 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not substituted
275.27 in the cyclohexyl ring to any extent. Examples of cyclohexylphenols include, but are not
275.28 limited to:

275.29 ~~(A)~~ (i) 5-(1,1-dimethylheptyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (CP 47,497);

275.30 ~~(B)~~ (ii) 5-(1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol
275.31 (Cannabicyclohexanol or CP 47,497 C8 homologue);

275.32 ~~(C)~~ (iii) 5-(1,1-dimethylheptyl)-2-[(1R,2R)-5-hydroxy-2-(3-hydroxypropyl)cyclohexyl]
275.33 -phenol (CP 55,940).

276.1 ~~(vii)~~ (7) Benzoylindoles, which are any compounds containing a 3-(benzoyl)indole
276.2 structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,
276.3 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidiny)methyl or
276.4 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any
276.5 extent and whether or not substituted in the phenyl ring to any extent. Examples of
276.6 benzoylindoles include, but are not limited to:

276.7 ~~(A)~~ (i) 1-Pentyl-3-(4-methoxybenzoyl)indole (RCS-4);

276.8 ~~(B)~~ (ii) 1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole (AM-694);

276.9 ~~(C)~~ (iii) (4-methoxyphenyl-[2-methyl-1-(2-(4-morpholinyl)ethyl)indol-3-yl]methanone
276.10 (WIN 48,098 or Pravadoline).

276.11 ~~(viii)~~ (8) Others specifically named:

276.12 ~~(A)~~ (i) (6aR,10aR)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)
276.13 -6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (HU-210);

276.14 ~~(B)~~ (ii) (6aS,10aS)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)
276.15 -6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (Dexanabinol or HU-211);

276.16 ~~(C)~~ (iii) 2,3-dihydro-5-methyl-3-(4-morpholinylmethyl)pyrrolo[1,2,3-de]
276.17 -1,4-benzoxazin-6-yl-1-naphthalenylmethanone (WIN 55,212-2);

276.18 ~~(D)~~ (iv) (1-pentylindol-3-yl)-(2,2,3,3-tetramethylcyclopropyl)methanone (UR-144);

276.19 ~~(E)~~ (v) (1-(5-fluoropentyl)-1H-indol-3-yl)(2,2,3,3-tetramethylcyclopropyl)methanone
276.20 (XLR-11);

276.21 ~~(F)~~ (vi) 1-pentyl-N-tricyclo[3.3.1.1^{3,7}]dec-1-yl-1H-indazole-3-carboxamide
276.22 (AKB-48(APINACA));

276.23 ~~(G)~~ (vii) N-((3s,5s,7s)-adamantan-1-yl)-1-(5-fluoropentyl)-1H-indazole-3-carboxamide
276.24 (5-Fluoro-AKB-48);

276.25 ~~(H)~~ (viii) 1-pentyl-8-quinolinyl ester-1H-indole-3-carboxylic acid (PB-22);

276.26 ~~(I)~~ (ix) 8-quinolinyl ester-1-(5-fluoropentyl)-1H-indole-3-carboxylic acid (5-Fluoro
276.27 PB-22);

276.28 ~~(J)~~ (x) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-pentyl-1H-indazole-3-carboxamide
276.29 (AB-PINACA);

276.30 ~~(K)~~ (xi) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-[(4-fluorophenyl)methyl]-
276.31 1H-indazole-3-carboxamide (AB-FUBINACA);

- 277.1 ~~(L)~~ (xii) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-(cyclohexylmethyl)-1H-
 277.2 indazole-3-carboxamide(AB-CHMINACA);
- 277.3 ~~(M)~~ (xiii) (S)-methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3-
 277.4 methylbutanoate (5-fluoro-AMB);
- 277.5 ~~(N)~~ (xiv) [1-(5-fluoropentyl)-1H-indazol-3-yl](naphthalen-1-yl) methanone (THJ-2201);
- 277.6 ~~(O)~~ (xv) (1-(5-fluoropentyl)-1H-benzo[d]imidazol-2-yl)(naphthalen-1-yl)methanone
 277.7 (FUBIMINA);
- 277.8 ~~(P)~~ (xvi) (7-methoxy-1-(2-morpholinoethyl)-N-((1S,2S,4R)-1,3,3-trimethylbicyclo
 277.9 [2.2.1]heptan-2-yl)-1H-indole-3-carboxamide (MN-25 or UR-12);
- 277.10 ~~(Q)~~ (xvii) (S)-N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(5-fluoropentyl)
 277.11 -1H-indole-3-carboxamide (5-fluoro-ABICA);
- 277.12 ~~(R)~~ (xviii) N-(1-amino-3-phenyl-1-oxopropan-2-yl)-1-(5-fluoropentyl)
 277.13 -1H-indole-3-carboxamide;
- 277.14 ~~(S)~~ (xix) N-(1-amino-3-phenyl-1-oxopropan-2-yl)-1-(5-fluoropentyl)
 277.15 -1H-indazole-3-carboxamide;
- 277.16 ~~(T)~~ (xx) methyl 2-(1-(cyclohexylmethyl)-1H-indole-3-carboxamido)
 277.17 -3,3-dimethylbutanoate;
- 277.18 ~~(U)~~ (xxi) N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1(cyclohexylmethyl)-1
 277.19 H-indazole-3-carboxamide (MAB-CHMINACA);
- 277.20 ~~(V)~~ (xxii)
 277.21 N-(1-Amino-3,3-dimethyl-1-oxo-2-butanyl)-1-pentyl-1H-indazole-3-carboxamide
 277.22 (ADB-PINACA);
- 277.23 ~~(W)~~ (xxiii) methyl (1-(4-fluorobenzyl)-1H-indazole-3-carbonyl)-L-valinate (FUB-AMB);
- 277.24 ~~(X)~~ (xxiv)
 277.25 N-[(1S)-2-amino-2-oxo-1-(phenylmethyl)ethyl]-1-(cyclohexylmethyl)-1H-Indazole-
 277.26 3-carboxamide. (APP-CHMINACA);
- 277.27 ~~(Y)~~ (xxv) quinolin-8-yl 1-(4-fluorobenzyl)-1H-indole-3-carboxylate (FUB-PB-22); and
- 277.28 ~~(Z)~~ (xxvi) methyl N-[1-(cyclohexylmethyl)-1H-indole-3-carbonyl]valinate
 277.29 (MMB-CHMICA).
- 277.30 ~~(ix)~~ (9) Additional substances specifically named:

- 278.1 ~~(A)~~ (i) 1-(5-fluoropentyl)-N-(2-phenylpropan-2-yl)-1
278.2 H-pyrrolo[2,3-B]pyridine-3-carboxamide (5F-CUMYL-P7AICA);
- 278.3 ~~(B)~~ (ii) 1-(4-cyanobutyl)-N-(2-phenylpropan-2-yl)-1 H-indazole-3-carboxamide
278.4 (4-CN-Cumyl-Butinaca);
- 278.5 ~~(C)~~ (iii) naphthalen-1-yl-1-(5-fluoropentyl)-1-H-indole-3-carboxylate (NM2201;
278.6 CBL2201);
- 278.7 ~~(D)~~ (iv) N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(5-fluoropentyl)-1
278.8 H-indazole-3-carboxamide (5F-ABPINACA);
- 278.9 ~~(E)~~ (v) methyl-2-(1-(cyclohexylmethyl)-1H-indole-3-carboxamido)-3,3-dimethylbutanoate
278.10 (MDMB CHMICA);
- 278.11 ~~(F)~~ (vi) methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate
278.12 (5F-ADB; 5F-MDMB-PINACA); and
- 278.13 ~~(G)~~ (vii) N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-(4-fluorobenzyl)
278.14 1H-indazole-3-carboxamide (ADB-FUBINACA).

- 278.15 (i) A controlled substance analog, to the extent that it is implicitly or explicitly intended
278.16 for human consumption.

278.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

278.18 Sec. 2. Minnesota Statutes 2022, section 152.02, subdivision 4, is amended to read:

278.19 Subd. 4. **Schedule III.** (a) Schedule III consists of the substances listed in this subdivision.

278.20 (b) Stimulants. Unless specifically excepted or unless listed in another schedule, any
278.21 material, compound, mixture, or preparation which contains any quantity of the following
278.22 substances having a potential for abuse associated with a stimulant effect on the central
278.23 nervous system, including its salts, isomers, and salts of such isomers whenever the existence
278.24 of such salts, isomers, and salts of isomers is possible within the specific chemical
278.25 designation:

278.26 (1) benzphetamine;

278.27 (2) chlorphentermine;

278.28 (3) clortermine;

278.29 (4) phendimetrazine.

279.1 (c) Depressants. Unless specifically excepted or unless listed in another schedule, any
279.2 material, compound, mixture, or preparation which contains any quantity of the following
279.3 substances having a potential for abuse associated with a depressant effect on the central
279.4 nervous system:

279.5 (1) any compound, mixture, or preparation containing amobarbital, secobarbital,
279.6 pentobarbital or any salt thereof and one or more other active medicinal ingredients which
279.7 are not listed in any schedule;

279.8 (2) any suppository dosage form containing amobarbital, secobarbital, pentobarbital, or
279.9 any salt of any of these drugs and approved by the food and drug administration for marketing
279.10 only as a suppository;

279.11 (3) any substance which contains any quantity of a derivative of barbituric acid, or any
279.12 salt of a derivative of barbituric acid, except those substances which are specifically listed
279.13 in other schedules;

279.14 (4) any drug product containing gamma hydroxybutyric acid, including its salts, isomers,
279.15 and salts of isomers, for which an application is approved under section 505 of the federal
279.16 Food, Drug, and Cosmetic Act;

279.17 (5) any of the following substances:

279.18 (i) chlorhexadol;

279.19 (ii) ketamine, its salts, isomers and salts of isomers;

279.20 (iii) lysergic acid;

279.21 (iv) lysergic acid amide;

279.22 (v) methyprylon;

279.23 (vi) sulfondiethylmethane;

279.24 (vii) sulfonethylmethane;

279.25 (viii) sulfonmethane;

279.26 (ix) tiletamine and zolazepam and any salt thereof;

279.27 (x) embutramide;

279.28 (xi) Perampanel [2-(2-oxo-1-phenyl-5-pyridin-2-yl)-1,2-Dihydropyridin-3-yl)
279.29 benzonitrile].

279.30 (d) Nalorphine.

280.1 (e) Narcotic drugs. Unless specifically excepted or unless listed in another schedule,
280.2 any material, compound, mixture, or preparation containing any of the following narcotic
280.3 drugs, or their salts calculated as the free anhydrous base or alkaloid, in limited quantities
280.4 as follows:

280.5 (1) not more than 1.80 grams of codeine per 100 milliliters or not more than 90 milligrams
280.6 per dosage unit, with an equal or greater quantity of an isoquinoline alkaloid of opium;

280.7 (2) not more than 1.80 grams of codeine per 100 milliliters or not more than 90 milligrams
280.8 per dosage unit, with one or more active, nonnarcotic ingredients in recognized therapeutic
280.9 amounts;

280.10 (3) not more than 1.80 grams of dihydrocodeine per 100 milliliters or not more than 90
280.11 milligrams per dosage unit, with one or more active, nonnarcotic ingredients in recognized
280.12 therapeutic amounts;

280.13 (4) not more than 300 milligrams of ethylmorphine per 100 milliliters or not more than
280.14 15 milligrams per dosage unit, with one or more active, nonnarcotic ingredients in recognized
280.15 therapeutic amounts;

280.16 (5) not more than 500 milligrams of opium per 100 milliliters or per 100 grams, or not
280.17 more than 25 milligrams per dosage unit, with one or more active, nonnarcotic ingredients
280.18 in recognized therapeutic amounts;

280.19 (6) not more than 50 milligrams of morphine per 100 milliliters or per 100 grams with
280.20 one or more active, nonnarcotic ingredients in recognized therapeutic amounts.

280.21 (f) Anabolic steroids, human growth hormone, and chorionic gonadotropin.

280.22 (1) Anabolic steroids, for purposes of this subdivision, means any drug or hormonal
280.23 substance, chemically and pharmacologically related to testosterone, other than estrogens,
280.24 progestins, corticosteroids, and dehydroepiandrosterone, and includes:

280.25 (i) 3[beta],17[beta]-dihydroxy-5[alpha]-androstane;

280.26 (ii) 3[alpha],17[beta]-dihydroxy-5[alpha]-androstane;

280.27 (iii) androstanedione (5[alpha]-androstane-3,17-dione);

280.28 (iv) 1-androstenediol (3[beta],17[beta]-dihydroxy-5[alpha]-androst-1-ene);

280.29 (v) 3[alpha],17[beta]-dihydroxy-5[alpha]-androst-1-ene);

280.30 (vi) 4-androstenediol (3[beta],17[beta]-dihydroxy-androst-4-ene);

280.31 (vii) 5-androstenediol (3[beta],17[beta]-dihydroxy-androst-5-ene);

- 281.1 (viii) 1-androstenedione (5[alpha]-androst-1-en-3,17-dione);
- 281.2 (ix) 4-androstenedione (androst-4-en-3,17-dione);
- 281.3 (x) 5-androstenedione (androst-5-en-3,17-dione);
- 281.4 (xi) bolasterone (7[alpha],17[alpha]-dimethyl-17[beta]-hydroxyandrost-4-en-3-one);
- 281.5 (xii) boldenone (17[beta]-hydroxyandrost-1,4-diene-3-one);
- 281.6 (xiii) boldione (androsta-1,4-diene-3,17-dione);
- 281.7 (xiv) calusterone (7[beta],17[alpha]-dimethyl-17[beta]-hydroxyandrost-4-en-3-one);
- 281.8 (xv) clostebol (4-chloro-17[beta]-hydroxyandrost-4-en-3-one);
- 281.9 (xvi) dehydrochloromethyltestosterone
- 281.10 (4-chloro-17[beta]-hydroxy-17[alpha]-methylandrost-1,4-dien-3-one);
- 281.11 (xvii) desoxymethyltestosterone (17[alpha]-methyl-5[alpha]-androst-2-en-17[beta]-ol);
- 281.12 (xviii) [delta]1-dihydrotestosterone- (17[beta]-hydroxy-5[alpha]-androst-1-en-3-one);
- 281.13 (xix) 4-dihydrotestosterone (17[beta]-hydroxy-androstan-3-one);
- 281.14 (xx) drostanolone (17[beta]hydroxy-2[alpha]-methyl-5[alpha]-androstan-3-one);
- 281.15 (xxi) ethylestrenol (17[alpha]-ethyl-17[beta]-hydroxyestr-4-ene);
- 281.16 (xxii) fluoxymesterone
- 281.17 (9-fluoro-17[alpha]-methyl-11[beta],17[beta]-dihydroxyandrost-4-en-3-one);
- 281.18 (xxiii) formebolone
- 281.19 (2-formyl-17[alpha]-methyl-11[alpha],17[beta]-dihydroxyandrost-1,4-dien-3-one);
- 281.20 (xxiv) furazabol
- 281.21 (17[alpha]-methyl-17[beta]-hydroxyandrostano[2,3-c]-furazan)13[beta]-ethyl-17[beta]
- 281.22 -hydroxygon-4-en-3-one;
- 281.23 (xxv) 4-hydroxytestosterone (4,17[beta]-dihydroxyandrost-4-en-3-one);
- 281.24 (xxvi) 4-hydroxy-19-nortestosterone (4,17[beta]-dihydroxyestr-4-en-3-one);
- 281.25 (xxvii) mestanolone (17[alpha]-methyl-17[beta]-hydroxy-5[alpha]-androstan-3-one);
- 281.26 (xxviii) mesterolone (1[alpha]-methyl-17[beta]-hydroxy-5[alpha]-androstan-3-one);
- 281.27 (xxix) methandienone (17[alpha]-methyl-17[beta]-hydroxyandrost-1,4-dien-3-one);
- 281.28 (xxx) methandriol (17[alpha]-methyl-3[beta],17[beta]-dihydroxyandrost-5-ene);

- 282.1 (xxxi) methasterone (2 alpha-17 alpha-dimethyl-5 alpha-androstan-17beta-ol-3-one);
- 282.2 (xxxii) methenolone (1-methyl-17[beta]-hydroxy-5[alpha]-androst-1-en-3-one);
- 282.3 (xxxiii) 17[alpha]-methyl-3[beta],17[beta]-dihydroxy-5[alpha]-androstane;
- 282.4 (xxxiv) 17[alpha]-methyl-3[alpha],17[beta]-dihydroxy-5[alpha]-androstane;
- 282.5 (xxxv) 17[alpha]-methyl-3[beta],17[beta]-dihydroxyandrost-4-ene;
- 282.6 (xxxvi) 17[alpha]-methyl-4-hydroxynandrolone
- 282.7 (17[alpha]-methyl-4-hydroxy-17[beta]-hydroxyestr-4-en-3-one);
- 282.8 (xxxvii) methyldienolone (17[alpha]-methyl-17[beta]-hydroxyestra-4,9(10)-dien-3-one);
- 282.9 (xxxviii) methyltrienolone (17[alpha]-methyl-17[beta]-hydroxyestra-4,9-11-trien-3-one);
- 282.10 (xxxix) methyltestosterone (17[alpha]-methyl-17[beta]-hydroxyandrost-4-en-3-one);
- 282.11 (xl) mibolerone (7[alpha],17[alpha]-dimethyl-17[beta]-hydroxyestr-4-en-3-one);
- 282.12 (xli) 17[alpha]-methyl-[delta]1-dihydrotestosterone
- 282.13 (17[beta]-hydroxy-17[alpha]-methyl-5[alpha]-androst-1-en-3-one);
- 282.14 (xlii) nandrolone (17[beta]-hydroxyestr-4-en-3-one);
- 282.15 (xliii) 19-nor-4-androstenediol (3[beta],17[beta]-dihydroxyestr-4-ene;
- 282.16 (xliv) 3[alpha],17[beta]-dihydroxyestr-4-ene); 19-nor-5-androstenediol
- 282.17 (3[beta],17[beta]-dihydroxyestr-5-ene;
- 282.18 (xlv) 3[alpha],17[beta]-dihydroxyestr-5-ene);
- 282.19 (xlvi) 19-nor-4,9(10)-androstadienedione (estra-4,9(10)-diene-3,17-dione);
- 282.20 (xlvii) 19-nor-5-androstenedione (estr-5-en-3,17-dione);
- 282.21 (xlviii) norbolethone (13[beta],17[alpha]-diethyl-17[beta]-hydroxygon-4-en-3-one);
- 282.22 (xlix) norclostebol (4-chloro-17[beta]-hydroxyestr-4-en-3-one);
- 282.23 (l) norethandrolone (17[alpha]-ethyl-17[beta]-hydroxyestr-4-en-3-one);
- 282.24 (li) normethandrolone (17[alpha]-methyl-17[beta]-hydroxyestr-4-en-3-one);
- 282.25 (lii) oxandrolone (17[alpha]-methyl-17[beta]-hydroxy-2-oxa-5[alpha]-androstan-3-one);
- 282.26 (liii) oxymesterone (17[alpha]-methyl-4,17[beta]-dihydroxyandrost-4-en-3-one);
- 282.27 (liv) oxymetholone
- 282.28 (17[alpha]-methyl-2-hydroxymethylene-17[beta]-hydroxy-5[alpha]-androstan-3-one);

- 283.1 (lv) prostanazol (17 beta-hydroxy-5 alpha-androstano[3,2-C]pyrazole;
- 283.2 (lvi) stanozolol
- 283.3 (17[alpha]-methyl-17[beta]-hydroxy-5[alpha]-androst-2-eno[3,2-c]-pyrazole);
- 283.4 (lvii) stenbolone (17[beta]-hydroxy-2-methyl-5[alpha]-androst-1-en-3-one);
- 283.5 (lviii) testolactone (13-hydroxy-3-oxo-13,17-secoandrosta-1,4-dien-17-oic acid lactone);
- 283.6 (lix) testosterone (17[beta]-hydroxyandrost-4-en-3-one);
- 283.7 (lx) tetrahydrogestrinone
- 283.8 (13[beta],17[alpha]-diethyl-17[beta]-hydroxygon-4,9,11-trien-3-one);
- 283.9 (lxi) trenbolone (17[beta]-hydroxyestr-4,9,11-trien-3-one);
- 283.10 (lxii) any salt, ester, or ether of a drug or substance described in this paragraph.
- 283.11 Anabolic steroids are not included if they are: (A) expressly intended for administration
- 283.12 through implants to cattle or other nonhuman species; and (B) approved by the United States
- 283.13 Food and Drug Administration for that use;
- 283.14 (2) Human growth hormones.
- 283.15 (3) Chorionic gonadotropin, except that a product containing chorionic gonadotropin is
- 283.16 not included if it is:
- 283.17 (i) expressly intended for administration to cattle or other nonhuman species; and
- 283.18 (ii) approved by the United States Food and Drug Administration for that use.
- 283.19 (g) Hallucinogenic substances. Dronabinol (~~synthetic~~ artificial) in sesame oil and
- 283.20 encapsulated in a soft gelatin capsule in a United States Food and Drug Administration
- 283.21 approved product.
- 283.22 (h) Any material, compound, mixture, or preparation containing the following narcotic
- 283.23 drug or its salt: buprenorphine.
- 283.24 (i) Marijuana, tetrahydrocannabinols, and artificial cannabinoids. Unless specifically
- 283.25 excepted or unless listed in another schedule, any natural or artificial material, compound,
- 283.26 mixture, or preparation that contains any quantity of the following substances, their analogs,
- 283.27 isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence
- 283.28 of the isomers, esters, ethers, or salts is possible:
- 283.29 (1) marijuana;

(2) tetrahydrocannabinols naturally contained in a plant of the genus Cannabis, except that tetrahydrocannabinols do not include any material, compound, mixture, or preparation that qualifies as industrial hemp as defined in section 18K.02, subdivision 3; artificial equivalents of the substances contained in the cannabis plant or in the resinous extractives of the plant; or artificial substances with similar chemical structure and pharmacological activity to those substances contained in the plant or resinous extract, including but not limited to 1 cis or trans tetrahydrocannabinol, 6 cis or trans tetrahydrocannabinol, and 3,4 cis or trans tetrahydrocannabinol.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 9

APPROPRIATIONS

Section 1. **APPROPRIATIONS.**

Subdivision 1. **Office of Cannabis Management.** (a) \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the Cannabis Management Board for purposes of this act. The base for this appropriation is \$..... in fiscal year 2026 and \$..... in fiscal year 2027.

(b) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for rulemaking. The base for this appropriation is \$..... in fiscal year 2024 and thereafter.

(c) Of the base established in paragraph (a), \$..... in fiscal year 2026 and \$..... in fiscal year 2027 are for cannabis industry community renewal grants. Of these amounts, up to three percent may be used for administrative expenses.

(d) Of the base established in paragraph (a), \$..... in fiscal year 2026 and \$..... in fiscal year 2027 are for the administration of substance use treatment, recovery, and prevention grants.

Subd. 2. **Department of Agriculture.** \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of agriculture for food safety and pesticide enforcement lab testing and rulemaking related to changes in cannabis laws. The base for this appropriation is \$..... in fiscal year 2026 and \$..... in fiscal year 2027.

Subd. 3. **Cannabis Expungement Board.** \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the Cannabis Expungement Board for

285.1 staffing and other expenses related to reviewing criminal convictions and issuing decisions
285.2 related to expungement and resentencing. The base for this appropriation is \$..... in fiscal
285.3 years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$0.

285.4 Subd. 4. **Department of Commerce.** \$..... in fiscal year 2024 and \$..... in fiscal year
285.5 2025 are appropriated from the general fund to the commissioner of commerce for the
285.6 purposes of this act. The base for this appropriation is \$..... in fiscal year 2026 and \$.....
285.7 in fiscal year 2027.

285.8 Subd. 5. **Department of Corrections.** An appropriation to the commissioner of
285.9 corrections for correctional institutions is reduced by \$..... in fiscal year 2024 and \$.....
285.10 in fiscal year 2025. The base for this appropriation is reduced by \$..... in fiscal year 2026
285.11 and \$..... in fiscal year 2027.

285.12 Subd. 6. **Department of Education.** \$..... in fiscal year 2024 and \$..... in fiscal year
285.13 2025 are appropriated from the general fund to the commissioner of education for the
285.14 purposes of this act.

285.15 Subd. 7. **Department of Employment and Economic Development.** (a) \$..... in fiscal
285.16 year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the
285.17 commissioner of employment and economic development for the CanStartup, CanNavigate,
285.18 and CanTrain programs. Any unencumbered balances remaining in the first year do not
285.19 cancel but are available for the second year.

285.20 (b) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
285.21 in fiscal year 2025 are for the CanStartup program.

285.22 (c) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
285.23 in fiscal year 2025 are for the CanNavigate program.

285.24 (d) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
285.25 in fiscal year 2025 are for the CanTrain program.

285.26 (e) Of these amounts, up to four percent may be used for administrative expenses.

285.27 Subd. 8. **Department of Health.** (a) \$..... in fiscal year 2024 and \$..... in fiscal year
285.28 2025 are appropriated from the general fund to the commissioner of health for the purposes
285.29 of this act. The base for this appropriation is \$..... in fiscal year 2026 and \$..... in fiscal
285.30 year 2027.

285.31 (b) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
285.32 in fiscal year 2025 are for education for individuals who are pregnant, breastfeeding, or
285.33 who may become pregnant. Of this amount, \$..... each year is for media campaign contracts.

286.1 The base for this appropriation is \$..... in fiscal year 2026 and thereafter. Of the amounts
286.2 appropriated in fiscal year 2026 and thereafter, \$..... is for media campaign contracts.

286.3 (c) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
286.4 in fiscal year 2025 are for data collection and reports. The base for this appropriation is
286.5 \$..... in fiscal year 2026 and \$..... in fiscal year 2027.

286.6 (d) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
286.7 in fiscal year 2025 are for testing required by this act. The base for this appropriation is
286.8 \$..... in fiscal year 2026 and thereafter.

286.9 (e) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
286.10 in fiscal year 2025 are for education for youth. Of this amount, \$..... each year is for
286.11 statewide youth awareness campaign contracts. The base for this appropriation is \$..... in
286.12 fiscal year 2026 and thereafter. Of the amounts in fiscal year 2026 and thereafter, \$..... is
286.13 for media campaign contracts.

286.14 (f) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
286.15 in fiscal year 2025 are for grants to local health departments for: (1) creation and
286.16 dissemination of educational materials on cannabis flower and cannabis products; and (2)
286.17 community education, technical assistance, and outreach on prevention and safe use regarding
286.18 cannabis flower and cannabis products. The commissioner shall distribute these grants
286.19 according to a contract with the Local Public Health Association of Minnesota. Of the
286.20 appropriations in this paragraph, the commissioner may withhold up to ten percent for grant
286.21 administration and technical assistance to local health departments. The base for this
286.22 appropriation is \$..... in fiscal year 2026 and thereafter.

286.23 (g) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$.....
286.24 in fiscal year 2025 are for grants to Tribal health departments for: (1) creation and
286.25 dissemination of educational materials on cannabis flower and cannabis products; and (2)
286.26 community education, technical assistance, and outreach on prevention and safe use regarding
286.27 cannabis flower and cannabis products. Of the appropriations in this paragraph, the
286.28 commissioner may withhold up to ten percent for grant administration and technical
286.29 assistance to Tribal health departments. The base for this appropriation is \$..... in fiscal
286.30 year 2026 and thereafter.

286.31 Subd. 9. **Department of Health; Minnesota poison control system.** \$..... in fiscal
286.32 year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the
286.33 commissioner of health to support the poison control system and award or supplement grants
286.34 pursuant to Minnesota Statutes, section 145.93.

Subd. 10. **Department of Human Services.** (a) \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of human services for the purposes of this act. The base for this appropriation is \$..... in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$.....

(b) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for the Background Studies Legal Division. The base for this appropriation is \$..... in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$0.

(c) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 is for technology system changes. This is a onetime appropriation.

Subd. 11. **Department of Labor and Industry.** \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of labor and industry to identify occupational competency standards and provide technical assistance for developing dual-training programs under Minnesota Statutes, section 175.45, for the legal cannabis industry.

Subd. 12. **Department of Natural Resources.** \$..... in fiscal year 2024 is appropriated from the general fund to the commissioner of natural resources for the purposes of this act. This is a onetime appropriation.

Subd. 13. **Office of Higher Education.** \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of higher education for transfer to the dual training account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10, for grants to employers in the legal cannabis industry. The commissioner shall give priority to applications from employers who are, or who are training employees who are, eligible to be social equity applicants under Minnesota Statutes, section 342.15.

Subd. 14. **Pollution Control Agency.** (a) \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of the Pollution Control Agency for the purposes of this act. The base for this appropriation is \$..... in fiscal year 2026 and \$0 in fiscal year 2027 and thereafter.

(b) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for rulemaking. The base for this appropriation is \$0 in fiscal year 2026 and thereafter.

(c) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 is for wastewater staff. This is a onetime appropriation.

(d) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for small business assistance staff. The base for this appropriation is \$..... in fiscal year 2026 and \$0 in fiscal year 2027 and thereafter.

Subd. 15. Department of Public Safety; Bureau of Criminal Apprehension. (a) \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of public safety for use by the Bureau of Criminal Apprehension. The base for this appropriation is \$..... in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$.....

(b) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for expenses related to identifying and providing records of convictions for certain offenses involving the possession of cannabis that may be eligible for expungement and resentencing. The base for this appropriation is \$..... in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$0.

(c) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for forensic science services including additional staff, equipment, and supplies.

(d) Of the amount appropriated under paragraph (a), \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are for investigation of diversion crimes.

Subd. 16. Department of Public Safety; State Patrol. (a) \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of public safety for use by the Minnesota State Patrol for the purposes of this act, including identifying and investigating incidents and offenses that involve driving under the influence.

(b) \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general fund to the commissioner of public safety for use by the Minnesota State Patrol for its drug evaluation and classification program for drug recognition evaluator training, additional phlebotomists, and drug recognition training for peace officers, as defined in Minnesota Statutes, section 626.84, subdivision 1, paragraph (c).

(c) \$..... in fiscal year 2024 is appropriated from the general fund to the commissioner of public safety for the Minnesota State Patrol for the retirement and replacement of canines and the related canine and trooper training costs. This is a onetime appropriation and is available until June 30, 2025.

289.1 Subd. 17. **Department of Revenue.** \$..... in fiscal year 2024 and \$..... in fiscal year
289.2 2025 are appropriated from the general fund to the commissioner of revenue for the purposes
289.3 of this act. The base for this appropriation is \$..... in fiscal year 2026 and \$..... in fiscal
289.4 year 2027.

289.5 Subd. 18. **Supreme court.** \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are
289.6 appropriated from the general fund to the supreme court for reviewing records and issuing
289.7 orders related to the expungement or resentencing of certain cannabis offenses. The base
289.8 for this appropriation is \$0 in fiscal year 2026 and thereafter.

289.9 Subd. 19. **Supreme court.** \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are
289.10 appropriated from the general fund to the supreme court for treatment court operations.

289.11 Subd. 20. **Substance use treatment, recovery, and prevention grant account.** Money
289.12 for substance use treatment, recovery, and prevention is transferred from the general fund
289.13 to the substance use treatment, recovery, and prevention grant account established under
289.14 Minnesota Statutes, section 342.68. The transfer is \$..... in fiscal years 2024 and 2025. The
289.15 base for this transfer is \$..... in fiscal year 2026 and \$..... in fiscal year 2027.

**SENATE
STATE OF MINNESOTA
NINETIETH SESSION**

S.F. No. 1320

(SENATE AUTHORS: HAYDEN)

DATE
02/22/2017

D-PG
709

OFFICIAL STATUS
Introduction and first reading
Referred to Judiciary and Public Safety Finance and Policy

1.1 A bill for an act

1.2 relating to public safety; allowing individuals 21 years of age and older to consume

1.3 and use marijuana, marijuana products, and marijuana accessories for personal

1.4 use; providing for regulation of the cultivation, manufacture, distribution, and sale

1.5 of marijuana, marijuana products, and marijuana accessories by the commissioner

1.6 of health and local governments; permitting activities related to marijuana

1.7 establishments; authorizing rulemaking; authorizing the use of certain not public

1.8 data; providing criminal penalties; requiring development of a fee schedule and a

1.9 tax; amending Minnesota Statutes 2016, sections 152.01, by adding subdivisions;

1.10 152.027, subdivision 3, by adding a subdivision; 152.092; 152.093; 152.31;

1.11 297D.06; proposing coding for new law in Minnesota Statutes, chapter 152;

1.12 proposing coding for new law as Minnesota Statutes, chapter 152B; repealing

1.13 Minnesota Statutes 2016, section 152.027, subdivision 4.

1.14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.15 **ARTICLE 1**

1.16 **REGULATION OF THE PRODUCTION AND SALE OF MARIJUANA**

1.17 Section 1. **PURPOSE AND FINDINGS.**

1.18 (a) In the interest of individual freedom, the efficient use of law enforcement resources,

1.19 and enhancing revenue for public purposes, the legislature finds and declares that the use

1.20 of marijuana should be legal for persons 21 years of age or older and taxed in a manner

1.21 similar to alcohol.

1.22 (b) In the interest of the health and public safety of the citizens of Minnesota, the

1.23 legislature further finds and declares that marijuana should be regulated in a manner similar

1.24 to alcohol so that:

1.25 (1) individuals shall have to show proof of age before purchasing marijuana;

(2) selling, distributing, or transferring marijuana to individuals under the age of 21 shall remain illegal;

(3) driving under the influence of marijuana shall remain illegal;

(4) legitimate, taxpaying business people, and not criminal actors, shall conduct sales of marijuana; and

(5) marijuana sold in this state shall be labeled and subject to regulations to ensure that consumers are informed and protected.

(c) In the interest of enacting rational policies for the treatment of all variations of the cannabis plant, the legislature further finds and declares that industrial hemp shall be regulated separately from strains of cannabis with higher delta-9 tetrahydrocannabinol (THC) concentrations.

Sec. 2. Minnesota Statutes 2016, section 152.31, is amended to read:

152.31 DATA PRACTICES.

(a) Government data in patient files maintained by the commissioner and the health care practitioner, and data submitted to or by a medical cannabis manufacturer, are private data on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02, subdivision 9, but may be used for purposes of complying with chapter 13 and complying with a request from the legislative auditor or the state auditor in the performance of official duties. The provisions of section 13.05, subdivision 11, apply to a registration agreement entered between the commissioner and a medical cannabis manufacturer under section 152.25.

(b) Except as provided in paragraph (c), not public data maintained by the commissioner may not be used for any purpose not provided for in sections 152.22 to 152.37, and may not be combined or linked in any manner with any other list, dataset, or database.

(c) The commissioner may use not public data maintained by the commissioner and related to a medical cannabis manufacturer in reviewing the medical cannabis manufacturer's application to operate a marijuana establishment under chapter 152B, to determine the extent to which the medical cannabis manufacturer has complied with sections 152.22 to 152.37.

Sec. 3. **[152B.01] DEFINITIONS.**

Subdivision 1. **Applicability.** For purposes of this chapter, the terms defined in this section have the meanings given them.

3.1 Subd. 2. **City.** "City" means a home rule charter or statutory city.

3.2 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of health.

3.3 Subd. 4. **Consumer.** "Consumer" means a person 21 years of age or older who purchases
3.4 marijuana or marijuana products for personal use by persons 21 years of age or older, but
3.5 not for resale to others.

3.6 Subd. 5. **Local government.** "Local government" means a town operating under chapter
3.7 368, a county, or a city. A governing body for a town under this chapter means a town board
3.8 of supervisors.

3.9 Subd. 6. **Marijuana.** "Marijuana" means all parts of the plant of any species of the genus
3.10 Cannabis, including all agronomical varieties, whether growing or not; the seeds thereof;
3.11 the resin extracted from any part of the plant; and every compound, manufacture, salt,
3.12 derivative, mixture, or preparation of the plant, its seeds, or its resin, but does not include
3.13 the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the
3.14 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation
3.15 from mature stalks, except resin extracted therefrom, fiber, oil, or cake, or the sterilized
3.16 seed of the plant which is incapable of germination.

3.17 Subd. 7. **Marijuana accessory.** "Marijuana accessory" means any equipment, product,
3.18 or material of any kind which is used, intended for use, or designed for use in planting,
3.19 propagating, cultivating, growing, harvesting, composting, manufacturing, compounding,
3.20 converting, producing, processing, preparing, testing, analyzing, packaging, repackaging,
3.21 storing, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise
3.22 introducing marijuana into the human body.

3.23 Subd. 8. **Marijuana cultivation facility.** "Marijuana cultivation facility" means an entity
3.24 licensed to cultivate, prepare, and package marijuana and sell marijuana to retail marijuana
3.25 stores, marijuana product manufacturing facilities, and other marijuana cultivation facilities,
3.26 but not to consumers.

3.27 Subd. 9. **Marijuana establishment.** "Marijuana establishment" means a marijuana
3.28 cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility,
3.29 or a retail marijuana store.

3.30 Subd. 10. **Marijuana product manufacturing facility.** "Marijuana product
3.31 manufacturing facility" means an entity licensed to purchase marijuana; manufacture,
3.32 prepare, and package marijuana products; and sell marijuana and marijuana products to

other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

Subd. 11. Marijuana product. "Marijuana product" means a concentrated marijuana product or a marijuana product that is comprised of marijuana and other ingredients and is intended for use or consumption including, but not limited to, edible products, ointments, and tinctures.

Subd. 12. Marijuana testing facility. "Marijuana testing facility" means an entity licensed to analyze and certify the safety and potency of marijuana.

Subd. 13. Medical cannabis distribution facility. "Medical cannabis distribution facility" means a facility operated by a medical cannabis manufacturer and authorized to dispense medical cannabis.

Subd. 14. Medical cannabis manufacturer. "Medical cannabis manufacturer" has the meaning given in section 152.22, subdivision 7.

Subd. 15. Retail marijuana store. "Retail marijuana store" means an entity licensed to purchase marijuana from marijuana cultivation facilities and marijuana and marijuana products from marijuana product manufacturing facilities and to sell marijuana and marijuana products to consumers.

Subd. 16. Unreasonably impracticable. "Unreasonably impracticable" means that the measures necessary to comply with the rules require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worth being carried out in practice by a reasonably prudent businessperson.

Sec. 4. **[152B.03] REGULATION OF MARIJUANA.**

Subdivision 1. Rulemaking authorized. No later than July 1, 2019, the commissioner shall adopt rules necessary to implement this chapter. The rules shall not prohibit the operation of marijuana establishments, either expressly or through rules that make their operation unreasonably impracticable. The rules shall include:

(1) procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana establishment;

(2) qualifications for licensure that are directly and demonstrably related to the operation of a marijuana establishment;

(3) security requirements for marijuana establishments;

(4) requirements to prevent the sale or diversion of marijuana and marijuana products to persons under the age of 21;

(5) labeling requirements for marijuana and marijuana products sold or distributed by a marijuana establishment;

(6) health and safety regulations and standards for the manufacture of marijuana products and the cultivation of marijuana;

(7) restrictions on the advertising and display of marijuana and marijuana products; and

(8) civil penalties for the failure to comply with rules adopted according to this section.

Subd. 2. **Factors in reviewing applications.** In order to ensure the most secure, reliable, and accountable system for the production and distribution of marijuana and marijuana products in accordance with this chapter, in any competitive application process the commissioner shall have as a primary consideration whether an applicant:

(1) has prior experience producing or distributing medical cannabis according to sections 152.22 to 152.37 in the city, county, or town in which the applicant seeks to operate a marijuana establishment; and

(2) has, during the experience described in clause (1), complied consistently with sections 152.22 to 152.37 and Minnesota Rules, chapter 4770. The commissioner may use not public data related to the medical cannabis manufacturer and held by the commissioner in making a determination under this clause.

Sec. 5. [152B.04] INDIVIDUAL PRIVACY OF CONSUMERS AT RETAIL MARIJUANA STORES.

In order to ensure that individual privacy is protected:

(1) a consumer shall not be required to provide a retail marijuana store with personal information other than government-issued identification to determine the consumer's age in order to purchase marijuana or marijuana products; and

(2) a retail marijuana store shall not be required to acquire and record personal information about consumers other than information typically acquired in a financial transaction conducted at an on-sale liquor licensee.

Sec. 6. [152B.05] LOCAL REGULATIONS.

Subdivision 1. **Jurisdiction.** A county must adopt regulations or ordinances under subdivision 2 and may adopt regulations or ordinances under subdivision 3. A city or town

may adopt regulations or ordinances under subdivisions 2 and 3. If both a city and county with overlapping jurisdictions or a county and town with overlapping jurisdictions adopt regulations or ordinances under subdivision 2 or 3, the county regulations or ordinances apply only in those portions of the county outside the jurisdiction of the city or town.

Subd. 2. **Marijuana establishment licenses.** No later than October 1, 2019, a county must adopt and a city or town may adopt regulations or ordinances:

(1) specifying the entity within the local government responsible for processing applications for a license to operate a marijuana establishment within the boundaries of the local government; and

(2) providing for the issuance of marijuana establishment licenses if a local government must issue licenses because the commissioner fails to adopt rules according to section 152B.03 or because the commissioner fails to process and issue licenses as required by section 152B.06.

Subd. 3. **Other regulations regarding marijuana establishments.** (a) A local government may adopt ordinances or regulations that do not conflict with this chapter:

(1) governing the time, place, and manner of marijuana establishment operations, and the number of marijuana establishments within the jurisdiction of the local government;

(2) establishing procedures for the issuance, suspension, and revocation of licenses issued by the local government in accordance with section 152B.06, subdivision 2 or 3;

(3) establishing a schedule of annual operating, licensing, and application fees for marijuana establishments. An application fee established according to this clause shall be due only if an application is submitted to a local government under section 152B.06, subdivision 3. A licensing fee established according to this clause shall be due only if a local government issues a license under section 152B.06, subdivision 2 or 3; and

(4) establishing civil penalties for violations of ordinances or regulations governing the time, place, or manner of the operation of marijuana establishments.

(b) A local government may adopt ordinances or regulations that prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores.

7.1 Sec. 7. **[152B.06] PROCEDURES FOR LICENSURE OF MARIJUANA**
7.2 **ESTABLISHMENTS.**

7.3 Subdivision 1. **Application for state license.** Each application for an annual license to
7.4 operate a marijuana establishment shall be submitted to the commissioner. The commissioner
7.5 shall:

7.6 (1) begin accepting and processing applications on October 1, 2019;

7.7 (2) immediately forward a copy of each application and half of the license application
7.8 fee to the local government for the location in which the applicant intends to operate the
7.9 marijuana establishment;

7.10 (3) issue an annual license to the applicant within 90 days after receipt of an application
7.11 unless the commissioner finds the applicant is not in compliance with rules adopted according
7.12 to section 152B.03 or the commissioner is notified by the applicable local government that
7.13 the applicant is not in compliance with ordinances and regulations adopted according to
7.14 section 152B.05 and in effect at the time of application. Where a local government has
7.15 adopted a numerical limit on the number of marijuana establishments licenses and a greater
7.16 number of applicants seek licenses than the number of licenses available, the commissioner
7.17 shall solicit and consider input from the local government regarding the local government's
7.18 preferences for licensure; and

7.19 (4) upon denial of an application, notify the applicant in writing of the specific reason
7.20 for its denial.

7.21 Subd. 2. **Application for local license due to lack of action on application for state**
7.22 **license.** (a) An applicant who has submitted an application to the commissioner according
7.23 to subdivision 1 may resubmit its application directly to a local government according to
7.24 section 152B.05 if:

7.25 (1) the commissioner does not issue a license to an applicant within 90 days after receipt
7.26 of the application submitted in accordance with subdivision 1 and does not notify the
7.27 applicant, in writing, of the reason for the denial or lack of action within the 90-day period;
7.28 or

7.29 (2) the commissioner has adopted rules according to section 152B.03, subdivision 1,
7.30 and has accepted applications according to subdivision 1 but has not issued any licenses by
7.31 January 1, 2020.

7.32 (b) A local government that receives an application under paragraph (a) may issue a
7.33 license to the applicant. A local government issuing a license under this subdivision shall

do so within 90 days after receipt of the application unless the local government determines that the applicant is not in compliance with regulations or ordinances adopted according to section 152B.05 and provides notice of this noncompliance to the applicant.

(c) A local government shall notify the commissioner of all local licenses issued under this subdivision.

(d) If an application is submitted under this subdivision, the commissioner shall, if the local government so requests, forward to the local government the remainder of the application fee paid to the commissioner with the applicant's initial application.

(e) A license issued by a local government under this subdivision shall have the same force and effect as a license issued by the commissioner under subdivision 1. The holder of a local license shall not be subject to regulation or enforcement by the commissioner during the term of the local license. A local government may issue a subsequent or renewed license under this subdivision on an annual basis only if the applicant first submits an application to the commissioner under subdivision 1 and resubmits that application to the local government under this subdivision.

Subd. 3. **Application for local license if commissioner does not adopt rules.** If the commissioner does not adopt rules required by section 152B.03, an applicant may submit an application directly to a local government after October 1, 2019, and the local government may issue an annual license to the applicant. A local government issuing a license under this subdivision shall do so within 90 days after receipt of the application unless it determines that the applicant is not in compliance with regulations or ordinances adopted according to section 152B.05 in effect at the time of application and provides notice of this noncompliance to the applicant. A local government shall notify the commissioner if the local government issues an annual license to the applicant under this subdivision. A license issued by a local government under this subdivision shall have the same force and effect as a license issued by the commissioner in accordance with subdivision 1. The holder of a local license shall not be subject to regulation or enforcement by the commissioner during the term of that local license. A local government may issue a subsequent or renewed license under this subdivision on an annual basis if the commissioner has not adopted rules required by section 152B.03 at least 90 days prior to the date upon which a subsequent or renewed license would be effective, or if the commissioner has adopted rules according to section 152B.03 but has not, at least 90 days after the adoption of the rules, issued licenses pursuant to subdivision 1.

9.1 Sec. 8. **[152B.07] EMPLOYERS, DRIVING, MINORS, AND CONTROL OF**
9.2 **PROPERTY.**

9.3 Subdivision 1. **Employers.** Nothing in this chapter or chapter 152 is intended to require
9.4 an employer to permit or accommodate the use, consumption, possession, transfer, display,
9.5 transportation, sale, or cultivation of marijuana in the workplace or to affect the authority
9.6 of employers to have policies restricting or prohibiting the use of marijuana by employees.

9.7 Subd. 2. **Driving under the influence.** Nothing in this chapter or chapter 152 is intended
9.8 to allow driving under the influence of marijuana or to supersede section 169A.20.

9.9 Subd. 3. **Consumption of marijuana or marijuana products in a motor vehicle.**
9.10 Nothing in this chapter or chapter 152 is intended to allow the consumption of marijuana
9.11 or marijuana products in a motor vehicle or to supersede section 152.027, subdivision 3a.

9.12 Subd. 4. **Persons under age 21.** Nothing in this chapter or chapter 152 is intended to
9.13 permit the transfer of marijuana, with or without remuneration, to a person under the age
9.14 of 21 or to allow a person under the age of 21 to purchase, possess, use, transport, grow, or
9.15 consume marijuana.

9.16 Subd. 5. **Control of property.** Nothing in this chapter or chapter 152 shall prohibit a
9.17 person, employer, school, hospital, detention facility, corporation, or any other entity who
9.18 occupies, owns, or controls a property from prohibiting or otherwise regulating the
9.19 possession, consumption, use, display, transfer, distribution, sale, transportation, or cultivation
9.20 of marijuana on or in that property.

9.21 Sec. 9. **[152B.08] MEDICAL CANNABIS PROVISIONS UNAFFECTED.**

9.22 Nothing in this chapter shall be construed:

9.23 (1) to limit any privileges or rights in sections 152.22 to 152.37 of a medical cannabis
9.24 patient; designated caregiver, parent, or legal guardian under section 152.27, subdivision 4
9.25 or 5; or medical cannabis manufacturer;

9.26 (2) to permit a medical cannabis distribution facility to distribute marijuana to a person
9.27 who is not a medical cannabis patient enrolled in the registry established according to
9.28 sections 152.22 to 152.37;

9.29 (3) to permit a medical cannabis distribution facility to purchase marijuana or marijuana
9.30 products in a manner or from a source not authorized under sections 152.22 to 152.37;

9.31 (4) to permit a medical cannabis distribution facility to operate on the same premises as
9.32 a retail marijuana store; or

10.1 (5) to discharge the commissioner from the commissioner's duties to regulate medical
10.2 cannabis under sections 152.22 to 152.37.

10.3 Sec. 10. Minnesota Statutes 2016, section 297D.06, is amended to read:

10.4 **297D.06 PHARMACEUTICALS EXCEPTION FOR LAWFUL POSSESSION.**

10.5 ~~Nothing in this chapter requires~~ The following persons are not required to pay the tax
10.6 under this chapter:

10.7 (1) persons registered under chapter 151 or lawfully in possession of marijuana or a
10.8 controlled substance;

10.9 (2) persons lawfully in possession of medical cannabis obtained according to sections
10.10 152.22 to 152.37;

10.11 (3) persons licensed to grow, process, and sell marijuana and marijuana products under
10.12 chapter 152B;

10.13 (4) persons who have lawfully purchased marijuana or marijuana products from a retail
10.14 marijuana store licensed under chapter 152B; and

10.15 (5) persons who are otherwise lawfully in possession of marijuana or a controlled
10.16 substance to pay the tax required under this chapter.

10.17 Sec. 11. **FEE SCHEDULE FOR LICENSURE OF MARIJUANA**
10.18 **ESTABLISHMENTS.**

10.19 Subdivision 1. **Definition.** For purposes of this section, "marijuana establishment" has
10.20 the meaning given in Minnesota Statutes, section 152B.01, subdivision 9.

10.21 Subd. 2. **Fee schedule.** By January 1, 2019, the commissioner of health shall submit to
10.22 the legislature a proposed schedule of annual application, licensing, and renewal fees for
10.23 marijuana establishments authorized under Minnesota Statutes, chapter 152B. The
10.24 commissioner shall set proposed fees for each type of marijuana establishment in accordance
10.25 with Minnesota Statutes, section 16A.1285, subdivision 2. No fee shall exceed \$5,000 unless
10.26 the commissioner determines that a greater fee is necessary to recover its costs under
10.27 Minnesota Statutes, chapter 152B.

10.28 Subd. 3. **Limit on fees charged to medical cannabis manufacturers.** In the fee schedule
10.29 required under subdivision 2, the application fee shall not exceed \$500 for a medical cannabis
10.30 manufacturer that:

11.1 (1) is registered under Minnesota Statutes, sections 152.22 to 152.37, to manufacture
11.2 and distribute medical cannabis as of the effective date of Minnesota Statutes, chapter 152B;
11.3 and

11.4 (2) chooses to apply for a separate marijuana establishment license under Minnesota
11.5 Statutes, chapter 152B.

11.6 Sec. 12. **TAXATION OF MARIJUANA.**

11.7 By January 1, 2019, the commissioner of revenue shall submit to the legislature proposed
11.8 legislation for a tax to be levied upon marijuana sold or otherwise transferred by a marijuana
11.9 cultivation facility to a marijuana product manufacturing facility or to a retail marijuana
11.10 store, at a rate not to exceed 15 percent prior to January 1, 2021, and at a rate determined
11.11 by law thereafter. In its proposed legislation, the commissioner shall include procedures for
11.12 the collection of these taxes. The proposal required by this section shall not include levying
11.13 a tax on medical cannabis dispensed at a medical cannabis distribution facility under
11.14 Minnesota Statutes, sections 152.22 to 152.37.

11.15 Sec. 13. **EFFECTIVE DATE.**

11.16 This section is effective January 1, 2018.

11.17 **ARTICLE 2**

11.18 **MARIJUANA FOR PERSONAL USE**

11.19 Section 1. Minnesota Statutes 2016, section 152.01, is amended by adding a subdivision
11.20 to read:

11.21 Subd. 9b. **Marijuana accessory.** "Marijuana accessory" has the meaning given in section
11.22 152B.01, subdivision 7.

11.23 Sec. 2. Minnesota Statutes 2016, section 152.01, is amended by adding a subdivision to
11.24 read:

11.25 Subd. 9c. **Marijuana product.** "Marijuana product" has the meaning given in section
11.26 152B.01, subdivision 11.

11.27 Sec. 3. Minnesota Statutes 2016, section 152.027, subdivision 3, is amended to read:

11.28 Subd. 3. **Possession of a marijuana product or marijuana in a motor vehicle.** A
11.29 person is guilty of a misdemeanor if the person is the owner of a private motor vehicle, or

12.1 is the driver of the motor vehicle if the owner is not present, and possesses on the person,
12.2 or knowingly keeps or allows to be kept within the area of the vehicle normally occupied
12.3 by the driver or passengers, a marijuana product or more than 1.4 grams one ounce of
12.4 marijuana. This area of the vehicle does not include the trunk of the motor vehicle if the
12.5 vehicle is equipped with a trunk, or another area of the vehicle not normally occupied by
12.6 the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove
12.7 compartment is deemed to be within the area occupied by the driver and passengers.

12.8 Sec. 4. Minnesota Statutes 2016, section 152.027, is amended by adding a subdivision to
12.9 read:

12.10 Subd. 3a. **Consumption of a marijuana product or marijuana in a motor vehicle.**
12.11 A person is guilty of a misdemeanor if the person consumes a marijuana product or marijuana
12.12 in a motor vehicle when the motor vehicle is upon a street or highway.

12.13 Sec. 5. Minnesota Statutes 2016, section 152.092, is amended to read:

12.14 **152.092 POSSESSION OF DRUG PARAPHERNALIA PROHIBITED.**

12.15 (a) Except as provided in section 152.211 or 152.212, it is unlawful for any person
12.16 knowingly or intentionally to use or to possess drug paraphernalia. Any violation of this
12.17 section is a petty misdemeanor.

12.18 (b) A person who violates paragraph (a) and has previously violated paragraph (a) on
12.19 two or more occasions has committed a crime and may be sentenced to imprisonment for
12.20 up to 90 days or to payment of a fine up to \$1,000, or both.

12.21 Sec. 6. Minnesota Statutes 2016, section 152.093, is amended to read:

12.22 **152.093 MANUFACTURE OR DELIVERY OF DRUG PARAPHERNALIA**
12.23 **PROHIBITED.**

12.24 Except as provided in section 152.211 or 152.212, it is unlawful for any person knowingly
12.25 or intentionally to deliver drug paraphernalia or knowingly or intentionally to possess or
12.26 manufacture drug paraphernalia for delivery. Any violation of this section is a misdemeanor.

12.27 Sec. 7. **[152.211] PERSONAL USE OF MARIJUANA.**

12.28 (a) The following acts are not violations of this chapter and are not a basis for seizure
12.29 or forfeiture of assets for persons 21 years of age or older:

13.1 (1) to possess, use, display, purchase, or transport marijuana accessories, marijuana
13.2 products, or one ounce or less of marijuana;

13.3 (2) to possess, grow, process, or transport no more than six marijuana plants, with three
13.4 or fewer being mature, flowering plants, and possession of the marijuana produced by the
13.5 plants on the premises where the plants were grown, provided that the growing takes place
13.6 in an enclosed, locked space, is not conducted openly or publicly, and is not made available
13.7 for sale;

13.8 (3) to transfer one ounce or less of marijuana without remuneration to a person who is
13.9 21 years of age or older;

13.10 (4) to consume marijuana, provided that nothing in this section shall permit consumption
13.11 that is conducted openly and publicly or in a manner that endangers others; or

13.12 (5) to assist another person who is 21 years of age or older in any of the acts described
13.13 in clauses (1) to (4).

13.14 (b) Nothing in this section permits a person to engage in, and does not prevent the
13.15 imposition of any civil, criminal, or other penalties for, operating, navigating, or being in
13.16 actual physical control of any motor vehicle, aircraft, train, or motorboat, or working on
13.17 transportation property, equipment, or facilities while under the influence of marijuana.

13.18 **Sec. 8. [152.212] ACTIVITIES RELATED TO THE CULTIVATION,**
13.19 **TRANSPORTATION, MANUFACTURE, AND SALE OF MARIJUANA,**
13.20 **MARIJUANA PRODUCTS, AND MARIJUANA ACCESSORIES.**

13.21 Subdivision 1. **Definitions.** For purposes of this section, "marijuana cultivation facility,"
13.22 "marijuana product manufacturing facility," "marijuana testing facility," and "retail marijuana
13.23 store" have the meanings given in section 152B.01.

13.24 Subd. 2. **Acts not violations of chapter.** The following acts are not violations of this
13.25 chapter and are not a basis for seizure or forfeiture of assets for persons 21 years of age or
13.26 older:

13.27 (1) manufacture, possession, or purchase of marijuana accessories or the sale of marijuana
13.28 accessories to a person who is 21 years of age or older;

13.29 (2) possessing, displaying, or transporting marijuana or marijuana products; purchase
13.30 of marijuana from a marijuana cultivation facility; purchase of marijuana or marijuana
13.31 products from a marijuana product manufacturing facility; or the sale of marijuana or
13.32 marijuana products to consumers, if the person conducting the activities described in this

14.1 clause has a current, valid license to operate a retail marijuana store or is acting in the
14.2 person's capacity as an owner, employee, or agent of a licensed retail marijuana store;

14.3 (3) cultivating, harvesting, processing, packaging, transporting, displaying, or possessing
14.4 marijuana; delivery or transfer of marijuana to a marijuana testing facility; selling marijuana
14.5 to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail
14.6 marijuana store; or the purchase of marijuana from a marijuana cultivation facility, if the
14.7 person conducting the activities described in this clause has a current, valid license to operate
14.8 a marijuana cultivation facility or is acting in the person's capacity as an owner, employee,
14.9 or agent of a licensed marijuana cultivation facility;

14.10 (4) packaging, processing, transporting, manufacturing, displaying, or possessing
14.11 marijuana or marijuana products; delivery or transfer of marijuana or marijuana products
14.12 to a marijuana testing facility; selling marijuana or marijuana products to a retail marijuana
14.13 store or a marijuana product manufacturing facility; the purchase of marijuana from a
14.14 marijuana cultivation facility; or the purchase of marijuana or marijuana products from a
14.15 marijuana product manufacturing facility, if the person conducting the activities described
14.16 in this clause has a current, valid license to operate a marijuana product manufacturing
14.17 facility or is acting in the person's capacity as an owner, employee, or agent of a licensed
14.18 marijuana product manufacturing facility;

14.19 (5) possessing, cultivating, processing, repackaging, storing, transporting, displaying,
14.20 transferring, or delivering marijuana or marijuana products if the person conducting the
14.21 activities described in this clause has a current, valid license to operate a marijuana testing
14.22 facility or is acting in the person's capacity as an owner, employee, or agent of a licensed
14.23 marijuana testing facility; or

14.24 (6) leasing or otherwise allowing the use of property owned, occupied, or controlled by
14.25 any person, corporation, or other entity for any of the activities conducted lawfully in
14.26 accordance with this section.

14.27 **Sec. 9. REPEALER.**

14.28 Minnesota Statutes 2016, section 152.027, subdivision 4, is repealed.

14.29 **Sec. 10. EFFECTIVE DATE.**

14.30 This article is effective January 1, 2018.

APPENDIX
Article locations in 17-2248

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152.027 OTHER CONTROLLED SUBSTANCE OFFENSES.

Subd. 4. **Possession or sale of small amounts of marijuana.** (a) A person who unlawfully sells a small amount of marijuana for no remuneration, or who unlawfully possesses a small amount of marijuana is guilty of a petty misdemeanor and shall be required to participate in a drug education program unless the court enters a written finding that a drug education program is inappropriate. The program must be approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority.

(b) A person convicted of an unlawful sale under paragraph (a) who is subsequently convicted of an unlawful sale under paragraph (a) within two years is guilty of a misdemeanor and shall be required to participate in a chemical dependency evaluation and treatment if so indicated by the evaluation.

(c) A person who is convicted of a petty misdemeanor under paragraph (a) who willfully and intentionally fails to comply with the sentence imposed, is guilty of a misdemeanor. Compliance with the terms of the sentence imposed before conviction under this paragraph is an absolute defense.

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2.1 (2) selling, distributing, or transferring marijuana to individuals under the age of 21 shall
2.2 remain illegal;

2.3 (3) driving under the influence of marijuana shall remain illegal;

2.4 (4) legitimate, taxpaying business people, and not criminal actors, shall conduct sales
2.5 of marijuana; and

2.6 (5) marijuana sold in this state shall be labeled and subject to regulations to ensure that
2.7 consumers are informed and protected.

2.8 (c) In the interest of enacting rational policies for the treatment of all variations of the
2.9 cannabis plant, the legislature further finds and declares that industrial hemp shall be
2.10 regulated separately from strains of cannabis with higher delta-9 tetrahydrocannabinol
2.11 (THC) concentrations.

2.12 Sec. 2. Minnesota Statutes 2016, section 152.31, is amended to read:

2.13 **152.31 DATA PRACTICES.**

2.14 (a) Government data in patient files maintained by the commissioner and the health care
2.15 practitioner, and data submitted to or by a medical cannabis manufacturer, are private data
2.16 on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in
2.17 section 13.02, subdivision 9, but may be used for purposes of complying with chapter 13
2.18 and complying with a request from the legislative auditor or the state auditor in the
2.19 performance of official duties. The provisions of section 13.05, subdivision 11, apply to a
2.20 registration agreement entered between the commissioner and a medical cannabis
2.21 manufacturer under section 152.25.

2.22 (b) Except as provided in paragraph (c), not public data maintained by the commissioner
2.23 may not be used for any purpose not provided for in sections 152.22 to 152.37, and may
2.24 not be combined or linked in any manner with any other list, dataset, or database.

2.25 (c) The commissioner may use not public data maintained by the commissioner and
2.26 related to a medical cannabis manufacturer in reviewing the medical cannabis manufacturer's
2.27 application to operate a marijuana establishment under chapter 152B, to determine the extent
2.28 to which the medical cannabis manufacturer has complied with sections 152.22 to 152.37.

2.29 Sec. 3. **[152B.01] DEFINITIONS.**

2.30 Subdivision 1. **Applicability.** For purposes of this chapter, the terms defined in this
2.31 section have the meanings given them.

3.1 Subd. 2. **City.** "City" means a home rule charter or statutory city.

3.2 Subd. 3. **Commissioner.** "Commissioner" means the commissioner of health.

3.3 Subd. 4. **Consumer.** "Consumer" means a person 21 years of age or older who purchases
3.4 marijuana or marijuana products for personal use by persons 21 years of age or older, but
3.5 not for resale to others.

3.6 Subd. 5. **Local government.** "Local government" means a town operating under chapter
3.7 368, a county, or a city. A governing body for a town under this chapter means a town board
3.8 of supervisors.

3.9 Subd. 6. **Marijuana.** "Marijuana" means all parts of the plant of any species of the genus
3.10 Cannabis, including all agronomical varieties, whether growing or not; the seeds thereof;
3.11 the resin extracted from any part of the plant; and every compound, manufacture, salt,
3.12 derivative, mixture, or preparation of the plant, its seeds, or its resin, but does not include
3.13 the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the
3.14 seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation
3.15 from mature stalks, except resin extracted therefrom, fiber, oil, or cake, or the sterilized
3.16 seed of the plant which is incapable of germination.

3.17 Subd. 7. **Marijuana accessory.** "Marijuana accessory" means any equipment, product,
3.18 or material of any kind which is used, intended for use, or designed for use in planting,
3.19 propagating, cultivating, growing, harvesting, composting, manufacturing, compounding,
3.20 converting, producing, processing, preparing, testing, analyzing, packaging, repackaging,
3.21 storing, vaporizing, or containing marijuana, or for ingesting, inhaling, or otherwise
3.22 introducing marijuana into the human body.

3.23 Subd. 8. **Marijuana cultivation facility.** "Marijuana cultivation facility" means an entity
3.24 licensed to cultivate, prepare, and package marijuana and sell marijuana to retail marijuana
3.25 stores, marijuana product manufacturing facilities, and other marijuana cultivation facilities,
3.26 but not to consumers.

3.27 Subd. 9. **Marijuana establishment.** "Marijuana establishment" means a marijuana
3.28 cultivation facility, a marijuana testing facility, a marijuana product manufacturing facility,
3.29 or a retail marijuana store.

3.30 Subd. 10. **Marijuana product manufacturing facility.** "Marijuana product
3.31 manufacturing facility" means an entity licensed to purchase marijuana; manufacture,
3.32 prepare, and package marijuana products; and sell marijuana and marijuana products to

other marijuana product manufacturing facilities and to retail marijuana stores, but not to consumers.

Subd. 11. Marijuana product. "Marijuana product" means a concentrated marijuana product or a marijuana product that is comprised of marijuana and other ingredients and is intended for use or consumption including, but not limited to, edible products, ointments, and tinctures.

Subd. 12. Marijuana testing facility. "Marijuana testing facility" means an entity licensed to analyze and certify the safety and potency of marijuana.

Subd. 13. Medical cannabis distribution facility. "Medical cannabis distribution facility" means a facility operated by a medical cannabis manufacturer and authorized to dispense medical cannabis.

Subd. 14. Medical cannabis manufacturer. "Medical cannabis manufacturer" has the meaning given in section 152.22, subdivision 7.

Subd. 15. Retail marijuana store. "Retail marijuana store" means an entity licensed to purchase marijuana from marijuana cultivation facilities and marijuana and marijuana products from marijuana product manufacturing facilities and to sell marijuana and marijuana products to consumers.

Subd. 16. Unreasonably impracticable. "Unreasonably impracticable" means that the measures necessary to comply with the rules require such a high investment of risk, money, time, or any other resource or asset that the operation of a marijuana establishment is not worth being carried out in practice by a reasonably prudent businessperson.

Sec. 4. **[152B.03] REGULATION OF MARIJUANA.**

Subdivision 1. Rulemaking authorized. No later than July 1, 2019, the commissioner shall adopt rules necessary to implement this chapter. The rules shall not prohibit the operation of marijuana establishments, either expressly or through rules that make their operation unreasonably impracticable. The rules shall include:

(1) procedures for the issuance, renewal, suspension, and revocation of a license to operate a marijuana establishment;

(2) qualifications for licensure that are directly and demonstrably related to the operation of a marijuana establishment;

(3) security requirements for marijuana establishments;

(4) requirements to prevent the sale or diversion of marijuana and marijuana products to persons under the age of 21;

(5) labeling requirements for marijuana and marijuana products sold or distributed by a marijuana establishment;

(6) health and safety regulations and standards for the manufacture of marijuana products and the cultivation of marijuana;

(7) restrictions on the advertising and display of marijuana and marijuana products; and

(8) civil penalties for the failure to comply with rules adopted according to this section.

Subd. 2. **Factors in reviewing applications.** In order to ensure the most secure, reliable, and accountable system for the production and distribution of marijuana and marijuana products in accordance with this chapter, in any competitive application process the commissioner shall have as a primary consideration whether an applicant:

(1) has prior experience producing or distributing medical cannabis according to sections 152.22 to 152.37 in the city, county, or town in which the applicant seeks to operate a marijuana establishment; and

(2) has, during the experience described in clause (1), complied consistently with sections 152.22 to 152.37 and Minnesota Rules, chapter 4770. The commissioner may use not public data related to the medical cannabis manufacturer and held by the commissioner in making a determination under this clause.

Sec. 5. [152B.04] INDIVIDUAL PRIVACY OF CONSUMERS AT RETAIL MARIJUANA STORES.

In order to ensure that individual privacy is protected:

(1) a consumer shall not be required to provide a retail marijuana store with personal information other than government-issued identification to determine the consumer's age in order to purchase marijuana or marijuana products; and

(2) a retail marijuana store shall not be required to acquire and record personal information about consumers other than information typically acquired in a financial transaction conducted at an on-sale liquor licensee.

Sec. 6. [152B.05] LOCAL REGULATIONS.

Subdivision 1. **Jurisdiction.** A county must adopt regulations or ordinances under subdivision 2 and may adopt regulations or ordinances under subdivision 3. A city or town

may adopt regulations or ordinances under subdivisions 2 and 3. If both a city and county with overlapping jurisdictions or a county and town with overlapping jurisdictions adopt regulations or ordinances under subdivision 2 or 3, the county regulations or ordinances apply only in those portions of the county outside the jurisdiction of the city or town.

Subd. 2. **Marijuana establishment licenses.** No later than October 1, 2019, a county must adopt and a city or town may adopt regulations or ordinances:

(1) specifying the entity within the local government responsible for processing applications for a license to operate a marijuana establishment within the boundaries of the local government; and

(2) providing for the issuance of marijuana establishment licenses if a local government must issue licenses because the commissioner fails to adopt rules according to section 152B.03 or because the commissioner fails to process and issue licenses as required by section 152B.06.

Subd. 3. **Other regulations regarding marijuana establishments.** (a) A local government may adopt ordinances or regulations that do not conflict with this chapter:

(1) governing the time, place, and manner of marijuana establishment operations, and the number of marijuana establishments within the jurisdiction of the local government;

(2) establishing procedures for the issuance, suspension, and revocation of licenses issued by the local government in accordance with section 152B.06, subdivision 2 or 3;

(3) establishing a schedule of annual operating, licensing, and application fees for marijuana establishments. An application fee established according to this clause shall be due only if an application is submitted to a local government under section 152B.06, subdivision 3. A licensing fee established according to this clause shall be due only if a local government issues a license under section 152B.06, subdivision 2 or 3; and

(4) establishing civil penalties for violations of ordinances or regulations governing the time, place, or manner of the operation of marijuana establishments.

(b) A local government may adopt ordinances or regulations that prohibit the operation of marijuana cultivation facilities, marijuana product manufacturing facilities, marijuana testing facilities, or retail marijuana stores.

7.1 Sec. 7. **[152B.06] PROCEDURES FOR LICENSURE OF MARIJUANA**
7.2 **ESTABLISHMENTS.**

7.3 Subdivision 1. **Application for state license.** Each application for an annual license to
7.4 operate a marijuana establishment shall be submitted to the commissioner. The commissioner
7.5 shall:

7.6 (1) begin accepting and processing applications on October 1, 2019;

7.7 (2) immediately forward a copy of each application and half of the license application
7.8 fee to the local government for the location in which the applicant intends to operate the
7.9 marijuana establishment;

7.10 (3) issue an annual license to the applicant within 90 days after receipt of an application
7.11 unless the commissioner finds the applicant is not in compliance with rules adopted according
7.12 to section 152B.03 or the commissioner is notified by the applicable local government that
7.13 the applicant is not in compliance with ordinances and regulations adopted according to
7.14 section 152B.05 and in effect at the time of application. Where a local government has
7.15 adopted a numerical limit on the number of marijuana establishments licenses and a greater
7.16 number of applicants seek licenses than the number of licenses available, the commissioner
7.17 shall solicit and consider input from the local government regarding the local government's
7.18 preferences for licensure; and

7.19 (4) upon denial of an application, notify the applicant in writing of the specific reason
7.20 for its denial.

7.21 Subd. 2. **Application for local license due to lack of action on application for state**
7.22 **license.** (a) An applicant who has submitted an application to the commissioner according
7.23 to subdivision 1 may resubmit its application directly to a local government according to
7.24 section 152B.05 if:

7.25 (1) the commissioner does not issue a license to an applicant within 90 days after receipt
7.26 of the application submitted in accordance with subdivision 1 and does not notify the
7.27 applicant, in writing, of the reason for the denial or lack of action within the 90-day period;
7.28 or

7.29 (2) the commissioner has adopted rules according to section 152B.03, subdivision 1,
7.30 and has accepted applications according to subdivision 1 but has not issued any licenses by
7.31 January 1, 2020.

7.32 (b) A local government that receives an application under paragraph (a) may issue a
7.33 license to the applicant. A local government issuing a license under this subdivision shall

do so within 90 days after receipt of the application unless the local government determines that the applicant is not in compliance with regulations or ordinances adopted according to section 152B.05 and provides notice of this noncompliance to the applicant.

(c) A local government shall notify the commissioner of all local licenses issued under this subdivision.

(d) If an application is submitted under this subdivision, the commissioner shall, if the local government so requests, forward to the local government the remainder of the application fee paid to the commissioner with the applicant's initial application.

(e) A license issued by a local government under this subdivision shall have the same force and effect as a license issued by the commissioner under subdivision 1. The holder of a local license shall not be subject to regulation or enforcement by the commissioner during the term of the local license. A local government may issue a subsequent or renewed license under this subdivision on an annual basis only if the applicant first submits an application to the commissioner under subdivision 1 and resubmits that application to the local government under this subdivision.

Subd. 3. Application for local license if commissioner does not adopt rules. If the commissioner does not adopt rules required by section 152B.03, an applicant may submit an application directly to a local government after October 1, 2019, and the local government may issue an annual license to the applicant. A local government issuing a license under this subdivision shall do so within 90 days after receipt of the application unless it determines that the applicant is not in compliance with regulations or ordinances adopted according to section 152B.05 in effect at the time of application and provides notice of this noncompliance to the applicant. A local government shall notify the commissioner if the local government issues an annual license to the applicant under this subdivision. A license issued by a local government under this subdivision shall have the same force and effect as a license issued by the commissioner in accordance with subdivision 1. The holder of a local license shall not be subject to regulation or enforcement by the commissioner during the term of that local license. A local government may issue a subsequent or renewed license under this subdivision on an annual basis if the commissioner has not adopted rules required by section 152B.03 at least 90 days prior to the date upon which a subsequent or renewed license would be effective, or if the commissioner has adopted rules according to section 152B.03 but has not, at least 90 days after the adoption of the rules, issued licenses pursuant to subdivision 1.

9.1 Sec. 8. **[152B.07] EMPLOYERS, DRIVING, MINORS, AND CONTROL OF**
9.2 **PROPERTY.**

9.3 Subdivision 1. **Employers.** Nothing in this chapter or chapter 152 is intended to require
9.4 an employer to permit or accommodate the use, consumption, possession, transfer, display,
9.5 transportation, sale, or cultivation of marijuana in the workplace or to affect the authority
9.6 of employers to have policies restricting or prohibiting the use of marijuana by employees.

9.7 Subd. 2. **Driving under the influence.** Nothing in this chapter or chapter 152 is intended
9.8 to allow driving under the influence of marijuana or to supersede section 169A.20.

9.9 Subd. 3. **Consumption of marijuana or marijuana products in a motor vehicle.**
9.10 Nothing in this chapter or chapter 152 is intended to allow the consumption of marijuana
9.11 or marijuana products in a motor vehicle or to supersede section 152.027, subdivision 3a.

9.12 Subd. 4. **Persons under age 21.** Nothing in this chapter or chapter 152 is intended to
9.13 permit the transfer of marijuana, with or without remuneration, to a person under the age
9.14 of 21 or to allow a person under the age of 21 to purchase, possess, use, transport, grow, or
9.15 consume marijuana.

9.16 Subd. 5. **Control of property.** Nothing in this chapter or chapter 152 shall prohibit a
9.17 person, employer, school, hospital, detention facility, corporation, or any other entity who
9.18 occupies, owns, or controls a property from prohibiting or otherwise regulating the
9.19 possession, consumption, use, display, transfer, distribution, sale, transportation, or cultivation
9.20 of marijuana on or in that property.

9.21 Sec. 9. **[152B.08] MEDICAL CANNABIS PROVISIONS UNAFFECTED.**

9.22 Nothing in this chapter shall be construed:

9.23 (1) to limit any privileges or rights in sections 152.22 to 152.37 of a medical cannabis
9.24 patient; designated caregiver, parent, or legal guardian under section 152.27, subdivision 4
9.25 or 5; or medical cannabis manufacturer;

9.26 (2) to permit a medical cannabis distribution facility to distribute marijuana to a person
9.27 who is not a medical cannabis patient enrolled in the registry established according to
9.28 sections 152.22 to 152.37;

9.29 (3) to permit a medical cannabis distribution facility to purchase marijuana or marijuana
9.30 products in a manner or from a source not authorized under sections 152.22 to 152.37;

9.31 (4) to permit a medical cannabis distribution facility to operate on the same premises as
9.32 a retail marijuana store; or

10.1 (5) to discharge the commissioner from the commissioner's duties to regulate medical
10.2 cannabis under sections 152.22 to 152.37.

10.3 Sec. 10. Minnesota Statutes 2016, section 297D.06, is amended to read:

10.4 **297D.06 PHARMACEUTICALS EXCEPTION FOR LAWFUL POSSESSION.**

10.5 ~~Nothing in this chapter requires~~ The following persons are not required to pay the tax
10.6 under this chapter:

10.7 (1) persons registered under chapter 151 or lawfully in possession of marijuana or a
10.8 controlled substance;

10.9 (2) persons lawfully in possession of medical cannabis obtained according to sections
10.10 152.22 to 152.37;

10.11 (3) persons licensed to grow, process, and sell marijuana and marijuana products under
10.12 chapter 152B;

10.13 (4) persons who have lawfully purchased marijuana or marijuana products from a retail
10.14 marijuana store licensed under chapter 152B; and

10.15 (5) persons who are otherwise lawfully in possession of marijuana or a controlled
10.16 substance to pay the tax required under this chapter.

10.17 Sec. 11. **FEE SCHEDULE FOR LICENSURE OF MARIJUANA**
10.18 **ESTABLISHMENTS.**

10.19 Subdivision 1. **Definition.** For purposes of this section, "marijuana establishment" has
10.20 the meaning given in Minnesota Statutes, section 152B.01, subdivision 9.

10.21 Subd. 2. **Fee schedule.** By January 1, 2019, the commissioner of health shall submit to
10.22 the legislature a proposed schedule of annual application, licensing, and renewal fees for
10.23 marijuana establishments authorized under Minnesota Statutes, chapter 152B. The
10.24 commissioner shall set proposed fees for each type of marijuana establishment in accordance
10.25 with Minnesota Statutes, section 16A.1285, subdivision 2. No fee shall exceed \$5,000 unless
10.26 the commissioner determines that a greater fee is necessary to recover its costs under
10.27 Minnesota Statutes, chapter 152B.

10.28 Subd. 3. **Limit on fees charged to medical cannabis manufacturers.** In the fee schedule
10.29 required under subdivision 2, the application fee shall not exceed \$500 for a medical cannabis
10.30 manufacturer that:

11.1 (1) is registered under Minnesota Statutes, sections 152.22 to 152.37, to manufacture
11.2 and distribute medical cannabis as of the effective date of Minnesota Statutes, chapter 152B;
11.3 and

11.4 (2) chooses to apply for a separate marijuana establishment license under Minnesota
11.5 Statutes, chapter 152B.

11.6 Sec. 12. **TAXATION OF MARIJUANA.**

11.7 By January 1, 2019, the commissioner of revenue shall submit to the legislature proposed
11.8 legislation for a tax to be levied upon marijuana sold or otherwise transferred by a marijuana
11.9 cultivation facility to a marijuana product manufacturing facility or to a retail marijuana
11.10 store, at a rate not to exceed 15 percent prior to January 1, 2021, and at a rate determined
11.11 by law thereafter. In its proposed legislation, the commissioner shall include procedures for
11.12 the collection of these taxes. The proposal required by this section shall not include levying
11.13 a tax on medical cannabis dispensed at a medical cannabis distribution facility under
11.14 Minnesota Statutes, sections 152.22 to 152.37.

11.15 Sec. 13. **EFFECTIVE DATE.**

11.16 This section is effective January 1, 2018.

11.17 **ARTICLE 2**

11.18 **MARIJUANA FOR PERSONAL USE**

11.19 Section 1. Minnesota Statutes 2016, section 152.01, is amended by adding a subdivision
11.20 to read:

11.21 Subd. 9b. **Marijuana accessory.** "Marijuana accessory" has the meaning given in section
11.22 152B.01, subdivision 7.

11.23 Sec. 2. Minnesota Statutes 2016, section 152.01, is amended by adding a subdivision to
11.24 read:

11.25 Subd. 9c. **Marijuana product.** "Marijuana product" has the meaning given in section
11.26 152B.01, subdivision 11.

11.27 Sec. 3. Minnesota Statutes 2016, section 152.027, subdivision 3, is amended to read:

11.28 Subd. 3. **Possession of a marijuana product or marijuana in a motor vehicle.** A
11.29 person is guilty of a misdemeanor if the person is the owner of a private motor vehicle, or

12.1 is the driver of the motor vehicle if the owner is not present, and possesses on the person,
12.2 or knowingly keeps or allows to be kept within the area of the vehicle normally occupied
12.3 by the driver or passengers, a marijuana product or more than 1.4 grams one ounce of
12.4 marijuana. This area of the vehicle does not include the trunk of the motor vehicle if the
12.5 vehicle is equipped with a trunk, or another area of the vehicle not normally occupied by
12.6 the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove
12.7 compartment is deemed to be within the area occupied by the driver and passengers.

12.8 Sec. 4. Minnesota Statutes 2016, section 152.027, is amended by adding a subdivision to
12.9 read:

12.10 Subd. 3a. **Consumption of a marijuana product or marijuana in a motor vehicle.**
12.11 A person is guilty of a misdemeanor if the person consumes a marijuana product or marijuana
12.12 in a motor vehicle when the motor vehicle is upon a street or highway.

12.13 Sec. 5. Minnesota Statutes 2016, section 152.092, is amended to read:

12.14 **152.092 POSSESSION OF DRUG PARAPHERNALIA PROHIBITED.**

12.15 (a) Except as provided in section 152.211 or 152.212, it is unlawful for any person
12.16 knowingly or intentionally to use or to possess drug paraphernalia. Any violation of this
12.17 section is a petty misdemeanor.

12.18 (b) A person who violates paragraph (a) and has previously violated paragraph (a) on
12.19 two or more occasions has committed a crime and may be sentenced to imprisonment for
12.20 up to 90 days or to payment of a fine up to \$1,000, or both.

12.21 Sec. 6. Minnesota Statutes 2016, section 152.093, is amended to read:

12.22 **152.093 MANUFACTURE OR DELIVERY OF DRUG PARAPHERNALIA**
12.23 **PROHIBITED.**

12.24 Except as provided in section 152.211 or 152.212, it is unlawful for any person knowingly
12.25 or intentionally to deliver drug paraphernalia or knowingly or intentionally to possess or
12.26 manufacture drug paraphernalia for delivery. Any violation of this section is a misdemeanor.

12.27 Sec. 7. **[152.211] PERSONAL USE OF MARIJUANA.**

12.28 (a) The following acts are not violations of this chapter and are not a basis for seizure
12.29 or forfeiture of assets for persons 21 years of age or older:

13.1 (1) to possess, use, display, purchase, or transport marijuana accessories, marijuana
13.2 products, or one ounce or less of marijuana;

13.3 (2) to possess, grow, process, or transport no more than six marijuana plants, with three
13.4 or fewer being mature, flowering plants, and possession of the marijuana produced by the
13.5 plants on the premises where the plants were grown, provided that the growing takes place
13.6 in an enclosed, locked space, is not conducted openly or publicly, and is not made available
13.7 for sale;

13.8 (3) to transfer one ounce or less of marijuana without remuneration to a person who is
13.9 21 years of age or older;

13.10 (4) to consume marijuana, provided that nothing in this section shall permit consumption
13.11 that is conducted openly and publicly or in a manner that endangers others; or

13.12 (5) to assist another person who is 21 years of age or older in any of the acts described
13.13 in clauses (1) to (4).

13.14 (b) Nothing in this section permits a person to engage in, and does not prevent the
13.15 imposition of any civil, criminal, or other penalties for, operating, navigating, or being in
13.16 actual physical control of any motor vehicle, aircraft, train, or motorboat, or working on
13.17 transportation property, equipment, or facilities while under the influence of marijuana.

13.18 **Sec. 8. [152.212] ACTIVITIES RELATED TO THE CULTIVATION,**
13.19 **TRANSPORTATION, MANUFACTURE, AND SALE OF MARIJUANA,**
13.20 **MARIJUANA PRODUCTS, AND MARIJUANA ACCESSORIES.**

13.21 Subdivision 1. **Definitions.** For purposes of this section, "marijuana cultivation facility,"
13.22 "marijuana product manufacturing facility," "marijuana testing facility," and "retail marijuana
13.23 store" have the meanings given in section 152B.01.

13.24 Subd. 2. **Acts not violations of chapter.** The following acts are not violations of this
13.25 chapter and are not a basis for seizure or forfeiture of assets for persons 21 years of age or
13.26 older:

13.27 (1) manufacture, possession, or purchase of marijuana accessories or the sale of marijuana
13.28 accessories to a person who is 21 years of age or older;

13.29 (2) possessing, displaying, or transporting marijuana or marijuana products; purchase
13.30 of marijuana from a marijuana cultivation facility; purchase of marijuana or marijuana
13.31 products from a marijuana product manufacturing facility; or the sale of marijuana or
13.32 marijuana products to consumers, if the person conducting the activities described in this

14.1 clause has a current, valid license to operate a retail marijuana store or is acting in the
14.2 person's capacity as an owner, employee, or agent of a licensed retail marijuana store;

14.3 (3) cultivating, harvesting, processing, packaging, transporting, displaying, or possessing
14.4 marijuana; delivery or transfer of marijuana to a marijuana testing facility; selling marijuana
14.5 to a marijuana cultivation facility, a marijuana product manufacturing facility, or a retail
14.6 marijuana store; or the purchase of marijuana from a marijuana cultivation facility, if the
14.7 person conducting the activities described in this clause has a current, valid license to operate
14.8 a marijuana cultivation facility or is acting in the person's capacity as an owner, employee,
14.9 or agent of a licensed marijuana cultivation facility;

14.10 (4) packaging, processing, transporting, manufacturing, displaying, or possessing
14.11 marijuana or marijuana products; delivery or transfer of marijuana or marijuana products
14.12 to a marijuana testing facility; selling marijuana or marijuana products to a retail marijuana
14.13 store or a marijuana product manufacturing facility; the purchase of marijuana from a
14.14 marijuana cultivation facility; or the purchase of marijuana or marijuana products from a
14.15 marijuana product manufacturing facility, if the person conducting the activities described
14.16 in this clause has a current, valid license to operate a marijuana product manufacturing
14.17 facility or is acting in the person's capacity as an owner, employee, or agent of a licensed
14.18 marijuana product manufacturing facility;

14.19 (5) possessing, cultivating, processing, repackaging, storing, transporting, displaying,
14.20 transferring, or delivering marijuana or marijuana products if the person conducting the
14.21 activities described in this clause has a current, valid license to operate a marijuana testing
14.22 facility or is acting in the person's capacity as an owner, employee, or agent of a licensed
14.23 marijuana testing facility; or

14.24 (6) leasing or otherwise allowing the use of property owned, occupied, or controlled by
14.25 any person, corporation, or other entity for any of the activities conducted lawfully in
14.26 accordance with this section.

14.27 **Sec. 9. REPEALER.**

14.28 Minnesota Statutes 2016, section 152.027, subdivision 4, is repealed.

14.29 **Sec. 10. EFFECTIVE DATE.**

14.30 This article is effective January 1, 2018.

APPENDIX
Article locations in HF0927-0

ARTICLE 1 REGULATION OF THE PRODUCTION AND SALE OF
MARIJUANA..... Page.Ln 1.15

ARTICLE 2 MARIJUANA FOR PERSONAL USE..... Page.Ln 11.17

152.027 OTHER CONTROLLED SUBSTANCE OFFENSES.

Subd. 4. **Possession or sale of small amounts of marijuana.** (a) A person who unlawfully sells a small amount of marijuana for no remuneration, or who unlawfully possesses a small amount of marijuana is guilty of a petty misdemeanor and shall be required to participate in a drug education program unless the court enters a written finding that a drug education program is inappropriate. The program must be approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority.

(b) A person convicted of an unlawful sale under paragraph (a) who is subsequently convicted of an unlawful sale under paragraph (a) within two years is guilty of a misdemeanor and shall be required to participate in a chemical dependency evaluation and treatment if so indicated by the evaluation.

(c) A person who is convicted of a petty misdemeanor under paragraph (a) who willfully and intentionally fails to comply with the sentence imposed, is guilty of a misdemeanor. Compliance with the terms of the sentence imposed before conviction under this paragraph is an absolute defense.