



January 25, 2023

Re: County Comments Re: Adult-use Cannabis Product Legalization

Dear Chair Klein and Members of the Senate Commerce and Consumer Protection Committee:

On behalf of the Association of Minnesota Counties (AMC), an organization representing all 87 Minnesota counties, I write to provide input related to SF 73, a bill legalizing and creating a regulatory framework for adult-use cannabis products.

County governments are responsible for an array of services that impact the health and wellbeing of Minnesotans. Every day counties assist Minnesotans across the state access services to better personal, family, and community outcomes through our local public health, social services, workforce development, economic security, and housing supports functions. For years, AMC members have been watching national conversations surrounding recreational cannabis legalization knowing that Minnesota would consider similar discussions and proposals. In 2019, the AMC Board of Directors established a Cannabis Task Force composed of over 20 elected county commissioners and departmental staff. This group reviewed cannabis legalization legislation, spoke with authors/proponents, heard from other state's county organizations where cannabis legalization was passed, outlined cannabis legalization impacts on county operations, and created a general framework of county priorities should legislation move forward.

While AMC membership is divided on the broader issue of cannabis legalization, members are united in three broad principles:

1. Any legalization effort should have a strong role for local control and authority to ensure successful administration, enforcement, and public safety as well as allow for local communities—represented by elected leaders—to decide what's best for their residents and community members. **Specifically, for the jurisdiction of the Commerce Committee, this means a clear opportunity for locals to have licensing authority or an ability to implement land use, zoning, inspection, and enforcement related abilities that are not contingent upon a State response. The bill's current language does not meet those needs.**
2. Any legalization efforts should have a strong, thorough, and expansive regulatory framework that ensures product quality control, education, inspection, and licensing duties and includes opportunities for local government participation and meaningful review;
3. Any legalization effort should acknowledge that local governments will be on the frontlines of responding and dealing with effects of legalization and as such, should have access to a portion of any new revenue to offset programmatic costs and lessen impacts to property taxpayers and existing operations. **SF 73 appropriates funds for several state agencies along with the proposed Office of Cannabis Management but does not recognize the fiscal impact to county/local government operations with potential legalization of adult-use cannabis products.**

In closing, counties hope that legislative authors will continue to engage and work with local governments to ensure that any potential legalization effort does not unintentionally affect county operations nor clientele and provides local governments with the best chances for successful implementation.

Sincerely,

Matt Hilgart, Government Relations Manager
Association of Minnesota Counties