

1.1 **Senator Rest from the Committee on Taxes, to which was re-referred**

1.2 **S.F. No. 73:** A bill for an act relating to cannabis; establishing the Office of Cannabis  
 1.3 Management; establishing the Cannabis Advisory Council; requiring reports relating to  
 1.4 cannabis use and sales; legalizing and limiting the possession and use of cannabis by adults;  
 1.5 providing for the licensing, inspection, and regulation of cannabis businesses and hemp  
 1.6 businesses; requiring testing of cannabis flower, cannabis products, and hemp products;  
 1.7 requiring labeling of cannabis flower, cannabis products, and hemp products; limiting the  
 1.8 advertisement of cannabis flower, cannabis products, hemp products, hemp businesses  
 1.9 products, and cannabis businesses; providing for the cultivation of cannabis in private  
 1.10 residences; transferring regulatory authority for the medical cannabis program; allowing  
 1.11 Tribal medical cannabis program manufacturers to distribute medical cannabis to Tribal  
 1.12 medical cannabis program patients; providing for transportation of medical cannabis by  
 1.13 Tribal medical cannabis manufacturers; taxing the sale of adult-use cannabis; establishing  
 1.14 grant and loan programs; amending criminal penalties; prohibiting the use or possession of  
 1.15 cannabis flower and cannabis products on a street or highway; establishing expungement  
 1.16 procedures for certain individuals; establishing labor standards for the use of cannabis and  
 1.17 hemp products by employees and testing of employees; providing for the temporary  
 1.18 regulation of certain edible cannabinoid products; providing for professional licensing  
 1.19 protections; amending the scheduling of marijuana and tetrahydrocannabinols; classifying  
 1.20 data; making miscellaneous cannabis-related and hemp-related changes and additions;  
 1.21 making clarifying and technical changes; appropriating money; amending Minnesota Statutes  
 1.22 2022, sections 13.411, by adding a subdivision; 13.871, by adding a subdivision; 16B.2975,  
 1.23 subdivision 8; 34A.01, subdivision 4; 97B.065, subdivision 1; 97B.066, by adding a  
 1.24 subdivision; 144.99, subdivision 1; 151.72; 152.01, by adding subdivisions; 152.02,  
 1.25 subdivisions 2, 4; 152.021, subdivision 2; 152.022, subdivisions 1, 2; 152.023, subdivisions  
 1.26 1, 2; 152.024, subdivision 1; 152.025, subdivisions 1, 2; 152.18, subdivision 1; 152.22, by  
 1.27 adding subdivisions; 152.29, subdivision 4, by adding a subdivision; 152.30; 152.32; 152.33,  
 1.28 subdivision 1; 169A.03, subdivision 6; 175.45, subdivision 1; 181.938, subdivision 2;  
 1.29 181.950, subdivisions 2, 4, 5, 8, 13, by adding a subdivision; 181.951, subdivision 4, by  
 1.30 adding subdivisions; 181.952, by adding a subdivision; 181.953; 181.954; 181.955; 181.957,  
 1.31 subdivision 1; 192A.555; 245C.08, subdivision 1; 256.01, subdivision 18c; 256B.0625,  
 1.32 subdivision 13d; 256D.024, subdivisions 1, 3; 256J.26, subdivisions 1, 3; 273.13, subdivision  
 1.33 24; 275.025, subdivision 2; 290.0132, subdivision 29; 290.0134, subdivision 19; 297A.61,  
 1.34 subdivision 3; 297A.67, subdivisions 2, 7; 297A.70, subdivisions 2, 18; 297A.99, by adding  
 1.35 a subdivision; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09,  
 1.36 subdivision 1a; 297D.10; 297D.11; 340A.412, subdivision 14; 609.135, subdivision 1;  
 1.37 609.2111; 609.5311, subdivision 1; 609.5314, subdivision 1; 609.5316, subdivision 2;  
 1.38 609A.01; 609A.03, subdivisions 5, 9; 609B.425, subdivision 2; 609B.435, subdivision 2;  
 1.39 624.712, by adding subdivisions; 624.713, subdivision 1; 624.714, subdivision 6; 624.7142,  
 1.40 subdivision 1; 624.7143, by adding a subdivision; 624.7151; proposing coding for new law  
 1.41 in Minnesota Statutes, chapters 3; 116J; 116L; 120B; 144; 152; 169A; 289A; 295; 340A;  
 1.42 609A; 624; proposing coding for new law as Minnesota Statutes, chapter 342; repealing  
 1.43 Minnesota Statutes 2022, sections 151.72; 152.027, subdivisions 3, 4; 152.21; 152.22,  
 1.44 subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8, 9, 10, 11, 12, 13, 14; 152.23; 152.24; 152.25,  
 1.45 subdivisions 1, 1a, 1b, 1c, 2, 3, 4; 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, 7;  
 1.46 152.28, subdivisions 1, 2, 3; 152.29, subdivisions 1, 2, 3, 3a, 4; 152.30; 152.31; 152.32,  
 1.47 subdivisions 1, 2, 3; 152.33, subdivisions 1, 1a, 2, 3, 4, 5, 6; 152.34; 152.35; 152.36,  
 1.48 subdivisions 1, 1a, 2, 3, 4, 5; 152.37; Minnesota Rules, parts 4770.0100; 4770.0200;  
 1.49 4770.0300; 4770.0400; 4770.0500; 4770.0600; 4770.0800; 4770.0900; 4770.1000;  
 1.50 4770.1100; 4770.1200; 4770.1300; 4770.1400; 4770.1460; 4770.1500; 4770.1600;  
 1.51 4770.1700; 4770.1800; 4770.1900; 4770.2000; 4770.2100; 4770.2200; 4770.2300;  
 1.52 4770.2400; 4770.2700; 4770.2800; 4770.4000; 4770.4002; 4770.4003; 4770.4004;  
 1.53 4770.4005; 4770.4007; 4770.4008; 4770.4009; 4770.4010; 4770.4012; 4770.4013;  
 1.54 4770.4014; 4770.4015; 4770.4016; 4770.4017; 4770.4018; 4770.4030.

1.55 Reports the same back with the recommendation that the bill be amended as follows:

- 2.1 Page 2, line 38, delete "cannabinoid" and insert "cannabis"
- 2.2 Page 2, line 39, after "products" insert "or lower-potency hemp edibles"
- 2.3 Page 2, line 41, delete "cannabinoid" and insert "cannabis"
- 2.4 Page 3, line 1, delete "edible products" and insert "hemp edibles"
- 2.5 Page 3, line 2, after "business" insert "or hemp business"
- 2.6 Page 4, after line 20, insert:
- 2.7 "(7) cannabis transporter;"
- 2.8 Page 4, line 21, delete "(7)" and insert "(8)"
- 2.9 Page 4, line 22, delete "(8)" and insert "(9)"
- 2.10 Page 4, line 23, delete "(9)" and insert "(10)"
- 2.11 Page 4, line 24, delete "(10)" and insert "(11)"
- 2.12 Page 4, line 25, delete "(11)" and insert "(12)"
- 2.13 Page 4, line 26, delete "(12)" and insert "(13)"
- 2.14 Page 5, line 28, delete everything after "products"
- 2.15 Page 5, line 29, delete everything before "and"
- 2.16 Page 6, line 14, delete "cannabinoid" and insert "cannabis"
- 2.17 Page 9, line 1, delete "artificially" and insert "synthetically" and after the first comma,  
2.18 insert "hemp concentrate, "
- 2.19 Page 12, line 9, after "business" insert "or hemp business"
- 2.20 Page 15, line 23, after "cannabis" insert "industry"
- 2.21 Page 16, line 5, after the second "to" insert "adult-use" and after the first comma insert  
2.22 "adult-use"
- 2.23 Page 17, line 2, delete "cannabinoid" and insert "cannabis"
- 2.24 Page 17, line 3, after "of" insert "adult-use" and delete "cannabinoid" and insert "adult-use  
2.25 cannabis"
- 2.26 Page 17, line 4, delete "and" and insert a comma and after "microbusinesses" insert ",  
2.27 and licensed cannabis mezzobusinesses"

- 3.1 Page 17, line 5, after "sell" insert "adult-use" and delete "cannabinoid" and insert
- 3.2 "adult-use cannabis"
- 3.3 Page 18, line 29, delete "in"
- 3.4 Page 22, line 13, after "industry" insert "and hemp consumer industry"
- 3.5 Page 25, line 13, after "OF" insert "ADULT-USE" and delete the comma and insert
- 3.6 "AND ADULT-USE CANNABIS" and delete ", AND" and insert a period
- 3.7 Page 25, delete line 14
- 3.8 Page 25, line 21, after the second "of" insert "adult-use"
- 3.9 Page 25, line 22, before "cannabis" insert "adult-use"
- 3.10 Page 25, line 25, after "of" insert "adult-use" and after the first comma insert "adult-use"
- 3.11 Page 25, line 27, before "cannabis" insert "adult-use"
- 3.12 Page 26, line 11, after "any" insert "adult-use" and after the first comma insert "adult-use"
- 3.13 Page 26, line 17, after the second "to" insert "adult-use"
- 3.14 Page 26, line 18, after the first comma, insert "adult-use"
- 3.15 Page 27, lines 1, 4, 7, 8, 11, 13, and 16, delete "cannabinoid" and insert "cannabis"
- 3.16 Page 28, line 21, after "of" insert "adult-use"
- 3.17 Page 28, line 22, after "and" insert "adult-use"
- 3.18 Page 29, line 12, after "consuming" insert "adult-use" and after the first comma insert
- 3.19 "adult-use"
- 3.20 Page 29, line 17, after "cannabis" insert "flower"
- 3.21 Page 30, line 9, delete "artificially" and insert "synthetically"
- 3.22 Page 31, line 5, delete "edible products" and insert "edibles"
- 3.23 Page 36, line 21, delete "or cannabinoid products"
- 3.24 Page 37, line 25, delete "paragraphs" and insert "paragraph"
- 3.25 Page 44, line 16, after the first comma, insert "or" and delete ", or cannabinoid product"
- 3.26 Page 44, line 34, delete "or cannabinoid product" and insert "cannabis product,
- 3.27 "lower-potency hemp edible, or hemp-derived consumer product"

- 4.1 Page 45, line 12, delete ", or cannabinoid" and insert "lower-potency hemp edible, or  
4.2 hemp-derived consumer"
- 4.3 Page 46, line 5, after "business" insert "or hemp business"
- 4.4 Page 50, line 34, delete "2" and insert "1"
- 4.5 Page 51, line 2, delete "3" and insert "2"
- 4.6 Page 51, line 5, delete "4" and insert "3"
- 4.7 Page 51, line 8, delete "5" and insert "4"
- 4.8 Page 52, line 19, delete "cannabinoid" and insert "cannabis"
- 4.9 Page 52, line 32, delete "edible products" and insert "hemp edibles"
- 4.10 Page 53, line 8, delete "cannabinoid" and insert "cannabis"
- 4.11 Page 53, lines 20 and 22, after the first "products," insert "lower-potency hemp edibles,"
- 4.12 Page 53, line 25, delete "cannabinoid" and insert "cannabis"
- 4.13 Page 54, line 16, after "products," insert "lower-potency hemp edibles,"
- 4.14 Page 54, line 21, after "business" insert a comma and after "products" insert ",  
4.15 lower-potency hemp edibles,"
- 4.16 Page 54, line 22, delete "manufacturers" and insert "manufactures"
- 4.17 Page 54, line 24, after "products," insert "lower-potency hemp edibles,"
- 4.18 Page 54, line 28, delete "cannabinoid" and insert "cannabis" and after "products," insert  
4.19 "lower-potency hemp edibles, hemp-derived consumer products,"
- 4.20 Page 55, lines 5, 8, 14, 26, 27, 29, and 31, delete "cannabinoid" and insert "cannabis"
- 4.21 Page 56, line 1, delete "cannabinoid" and insert "cannabis"
- 4.22 Page 59, line 2, delete "cannabinoid" and insert "cannabis" and after "products," insert  
4.23 "lower-potency hemp edibles"
- 4.24 Page 59, line 16, after "purchase" insert "adult-use"
- 4.25 Page 59, line 17, after the first comma, insert "adult-use"
- 4.26 Page 60, line 29, delete "artificially" and insert "synthetically"
- 4.27 Page 61, line 1, delete "artificially" and insert "synthetically"
- 4.28 Page 61, line 6, after the first comma, insert "lower-potency hemp edibles, "

- 5.1 Page 63, lines 4 and 8, before "cannabis" insert "adult-use"
- 5.2 Page 65, line 27, delete "Seed" and insert "Genetically engineered organism release"
- 5.3 Page 66, line 29, delete "artificially" and insert "synthetically"
- 5.4 Page 67, line 16, delete "artificially" and insert "synthetically"
- 5.5 Page 68, line 24, before "CANNABIS" insert "ADULT-USE"
- 5.6 Page 68, line 27, after the first comma insert "adult-use" and after the second comma
- 5.7 insert "adult-use" and after the third comma insert "and"
- 5.8 Page 68, line 29, after the fourth comma insert "and"
- 5.9 Page 68, line 30, delete everything after the comma and insert a semicolon
- 5.10 Page 69, line 13, delete "cannabinoid" and insert "cannabis" and after "products," insert
- 5.11 "lower-potency hemp edibles, "
- 5.12 Page 70, line 15, after the first "cannabis" insert "flower"
- 5.13 Page 70, line 21, before the first "cannabis" insert "adult-use" and before the second
- 5.14 "cannabis" insert "adult-use"
- 5.15 Page 70, line 30, delete "artificially" and insert "synthetically"
- 5.16 Page 71, line 17, delete "artificially" and insert "synthetically"
- 5.17 Page 72, line 6, after "cannabis" insert "flower" and delete "cannabinoid" and insert
- 5.18 "cannabis"
- 5.19 Page 73, line 21, delete everything after "or" and insert "Sunday before 11:00 a.m. or
- 5.20 after 6:00 p.m."
- 5.21 Page 73, delete line 22
- 5.22 Page 75, line 22, delete the first comma and insert "and" and delete everything after
- 5.23 "flower"
- 5.24 Page 75, line 23, delete "parts"
- 5.25 Page 75, line 24, after "manufacturer," insert "or" and delete everything after "wholesaler"
- 5.26 and insert a semicolon
- 5.27 Page 75, after line 24, insert:
- 5.28 "(7) purchase hemp plant parts from an industrial hemp grower;"
- 5.29 Page 75, line 25, delete "(7)" and insert "(8)"

- 6.1 Page 75, line 27, after "manufacturer," insert "or" and delete ", or a licensed hemp  
6.2 grower"
- 6.3 Page 75, line 30, delete "(8)" and insert "(9)"
- 6.4 Page 76, line 1, delete "(9)" and insert "(10)"
- 6.5 Page 76, line 4, delete "(10)" and insert "(11)"
- 6.6 Page 76, line 6, delete "(11)" and insert "(12)"
- 6.7 Page 77, line 6, delete "synthetic" and insert "synthetically derived"
- 6.8 Page 78, line 6, delete "cannabinoid" and insert "cannabis"
- 6.9 Page 78, line 31, delete "artificially" and insert "synthetically"
- 6.10 Page 79, line 13, after the fourth comma insert "and"
- 6.11 Page 79, line 14, delete everything after "microbusinesses" and insert a semicolon
- 6.12 Page 79, after line 14, insert:  
6.13 "(2) purchase hemp plan parts from industrial hemp growers;"
- 6.14 Page 79, line 15, delete "(2)" and insert "(3)"
- 6.15 Page 79, line 18, delete "(3)" and insert "(4)"
- 6.16 Page 79, line 19, delete "(4)" and insert "(5)" and delete "edible products" and insert  
6.17 "edibles"
- 6.18 Page 79, line 22, delete "(5)" and insert "(6)"
- 6.19 Page 80, line 24, delete the first comma and insert "and" and delete everything after  
6.20 "flower"
- 6.21 Page 80, line 25, delete "parts"
- 6.22 Page 80, line 26, after the first comma insert "or" and delete everything after "wholesaler"  
6.23 and insert a semicolon
- 6.24 Page 80, line 27, delete "artificially" and insert "synthetically"
- 6.25 Page 80, line 28, after the third comma insert "or"
- 6.26 Page 80, line 29, delete ", or a licensed hemp grower"
- 6.27 Page 80, after line 30, insert:  
6.28 "(8) purchase hemp plant parts from a licensed hemp grower;"

- 7.1 Page 81, line 1, delete "(8)" and insert "(9)"
- 7.2 Page 81, line 3, delete "(9)" and insert "(10)"
- 7.3 Page 81, line 6, delete "(10)" and insert "(11)"
- 7.4 Page 82, line 6, delete "synthetic" and insert "synthetically derived"
- 7.5 Page 83, line 27, delete "edible products" and insert "edibles"
- 7.6 Page 89, line 24, delete "cannabinoid" and insert "cannabis"
- 7.7 Page 93, lines 1 and 16, delete "cannabinoid" and insert "cannabis"
- 7.8 Page 93, line 20, delete "form" and insert "from"
- 7.9 Page 95, line 7, delete "cannabinoid" and insert "cannabis"
- 7.10 Page 95, line 33, delete "edible products" and insert "hemp edibles"
- 7.11 Page 96, line 9, before "edible" insert "hemp" and delete "product"
- 7.12 Page 96, lines 24 and 30, after "lower-potency" insert "hemp" and delete "product"
- 7.13 Page 97, line 1, after "lower-potency" insert "hemp" and delete "product"
- 7.14 Page 97, line 24, delete "cannabinoid" and insert "cannabis"
- 7.15 Page 101, lines 12 and 23, delete "cannabinoid" and insert "cannabis"
- 7.16 Page 102, line 5, delete "cannabinoid" and insert "cannabis"
- 7.17 Page 103, line 12, after the first comma, insert "and" and delete everything after
- 7.18 "manufacturers" and insert a semicolon
- 7.19 Page 103, after line 12, insert:
- 7.20 "(2) purchase hemp plant parts from industrial hemp growers;"
- 7.21 Page 103, line 13, delete "(2)" and insert "(3)"
- 7.22 Page 103, line 14, delete "(3)" and insert "(4)"
- 7.23 Page 103, line 15, delete "(4)" and insert "(5)"
- 7.24 Page 103, line 16, delete "(5)" and insert "(6)"
- 7.25 Page 103, line 17, delete "(6)" and insert "(7)"
- 7.26 Page 103, line 19, delete "(7)" and insert "(8)"
- 7.27 Page 104, line 23, delete "cannabinoid" and insert "cannabis"

8.1 Page 106, line 2, delete the first comma and insert "and" and delete the comma

8.2 Page 106, line 3, delete everything before the semicolon

8.3 Page 106, after line 3, insert:

8.4 "(2) purchase hemp plant parts from industrial hemp growers"

8.5 Page 106, line 4, delete "(2)" and insert "(3)"

8.6 Page 106, line 5, delete "(3)" and insert "(4)"

8.7 Page 106, line 7, delete "(4)" and insert "(5)"

8.8 Page 106, line 8, delete "(5)" and insert "(6)"

8.9 Page 106, line 10, delete "(6)" and insert "(7)"

8.10 Page 124, line 28, delete the comma

8.11 Page 127, delete subdivision 5 and insert:

8.12 "Subd. 5. **Test results.** (a) If a sample meets the applicable testing standards, a cannabis  
8.13 testing facility shall issue a certification to a cannabis microbusiness, cannabis  
8.14 mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an  
8.15 endorsement to import products, lower-potency hemp edible manufacturer, medical cannabis  
8.16 cultivator, or medical cannabis processor, and the cannabis business or hemp business may  
8.17 then sell or transfer the batch of cannabis flower, cannabis products, synthetically derived  
8.18 cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products from which  
8.19 the sample was taken to another cannabis business or hemp business, or offer the cannabis  
8.20 flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products  
8.21 for sale to customers or patients. If a sample does not meet the applicable testing standards  
8.22 or if the testing facility is unable to test for a substance identified pursuant to subdivision  
8.23 4, paragraph (b), the batch from which the sample was taken shall be subject to procedures  
8.24 established by the office for such batches, including destruction, remediation, or retesting.

8.25 (b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis  
8.26 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency  
8.27 hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor must  
8.28 maintain the test results for cannabis flower, cannabis products, synthetically derived  
8.29 cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products grown,  
8.30 manufactured, or imported by that cannabis business or hemp business for at least five years  
8.31 after the date of testing.

9.1 (c) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis  
 9.2 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency  
 9.3 hemp edible manufacturer, medical cannabis cultivator, or medical cannabis processor shall  
 9.4 make test results maintained by that cannabis business or hemp business available for review  
 9.5 by any member of the public, upon request. Test results made available to the public must  
 9.6 be in plain language."

9.7 Page 128, lines 10, 18, and 20, delete "product"

9.8 Page 128, line 21, delete "cannabinoid" and insert "cannabis" and delete the second  
 9.9 "product"

9.10 Page 131, line 14, delete "edible products" and insert "hemp edibles"

9.11 Page 133, line 21, delete "cannabinoid" and insert "cannabis"

9.12 Page 136, line 25, delete "342.61" and insert "342.62"

9.13 Page 145, line 10, delete "cannabinoid" and insert "cannabis"

9.14 Page 146, delete article 2 and insert:

9.15 **"ARTICLE 2**

9.16 **TAXES**

9.17 Section 1. Minnesota Statutes 2022, section 270B.12, is amended by adding a subdivision  
 9.18 to read:

9.19 Subd. 4a. **Office of Cannabis Management.** The commissioner may disclose return  
 9.20 information to the Office of Cannabis Management for the purpose of and to the extent  
 9.21 necessary to administer section 270C.726.

9.22 **EFFECTIVE DATE.** This section is effective June 30, 2023.

9.23 Sec. 2. **[270C.726] POSTING OF TAX DELINQUENCY; SALE OF CANNABIS.**

9.24 Subdivision 1. **Posting; notice.** (a) Pursuant to the authority to disclose under section  
 9.25 270B.12, subdivision 4a, the commissioner shall, by the 15th of each month, submit to the  
 9.26 Office of Cannabis Management a list of all taxpayers subject to the tax imposed by section  
 9.27 295.81 that are required to pay, withhold, or collect the tax imposed by sections 290.02,  
 9.28 290.0922, 290.92, 290.9727, 290.9728, 290.9729, 297A.62, or 295.81 or local sales and  
 9.29 use tax payable to the commissioner, or a local option sales and use tax administered and  
 9.30 collected by the commissioner, and who are ten days or more delinquent in either filing a  
 9.31 tax return or paying the tax.

10.1 (b) The commissioner is under no obligation to list a taxpayer whose business is inactive.  
 10.2 At least ten days before notifying the Office of Cannabis Management, the commissioner  
 10.3 shall notify the taxpayer of the intended action.

10.4 (c) The Office of Cannabis Management shall post the list required by this section on  
 10.5 the Office of Cannabis Management website . The list must prominently show the date of  
 10.6 posting. If a taxpayer previously listed files all returns and pays all taxes specified in this  
 10.7 subdivision then due, the commissioner shall notify the Office of Cannabis Management  
 10.8 within two business days.

10.9 Subd. 2. **Sales prohibited.** Beginning the third business day after the list is posted, no  
 10.10 cannabis cultivator, cannabis manufacturer, cannabis microbusiness, cannabis mezzobusiness,  
 10.11 cannabis wholesaler, or industrial hemp grower as defined in chapter 342 may sell or deliver  
 10.12 any product to a taxpayer included on the posted list.

10.13 Subd. 3. **Penalty.** A cannabis cultivator, cannabis manufacturer, cannabis microbusiness,  
 10.14 cannabis mezzobusiness, cannabis wholesaler, or industrial hemp grower as defined in  
 10.15 chapter 342 who violates subdivision 2 of this section is subject to the penalties provided  
 10.16 in section 342.19 and 342.21.

10.17 **EFFECTIVE DATE.** This section is effective June 30, 2023.

10.18 Sec. 3. Minnesota Statutes 2022, section 273.13, subdivision 24, is amended to read:

10.19 Subd. 24. **Class 3.** Commercial and industrial property and utility real and personal  
 10.20 property is class 3a.

10.21 (1) Except as otherwise provided, each parcel of commercial, industrial, or utility real  
 10.22 property has a classification rate of 1.5 percent of the first tier of market value, and 2.0  
 10.23 percent of the remaining market value. In the case of contiguous parcels of property owned  
 10.24 by the same person or entity, only the value equal to the first-tier value of the contiguous  
 10.25 parcels qualifies for the reduced classification rate, except that contiguous parcels owned  
 10.26 by the same person or entity shall be eligible for the first-tier value classification rate on  
 10.27 each separate business operated by the owner of the property, provided the business is  
 10.28 housed in a separate structure. For the purposes of this subdivision, the first tier means the  
 10.29 first \$150,000 of market value. Real property owned in fee by a utility for transmission line  
 10.30 right-of-way shall be classified at the classification rate for the higher tier.

10.31 For purposes of this subdivision, parcels are considered to be contiguous even if they  
 10.32 are separated from each other by a road, street, waterway, or other similar intervening type  
 10.33 of property. Connections between parcels that consist of power lines or pipelines do not

11.1 cause the parcels to be contiguous. Property owners who have contiguous parcels of property  
 11.2 that constitute separate businesses that may qualify for the first-tier classification rate shall  
 11.3 notify the assessor by July 1, for treatment beginning in the following taxes payable year.

11.4 (2) All personal property that is: (i) part of an electric generation, transmission, or  
 11.5 distribution system; or (ii) part of a pipeline system transporting or distributing water, gas,  
 11.6 crude oil, or petroleum products; and (iii) not described in clause (3), and all railroad  
 11.7 operating property has a classification rate as provided under clause (1) for the first tier of  
 11.8 market value and the remaining market value. In the case of multiple parcels in one county  
 11.9 that are owned by one person or entity, only one first tier amount is eligible for the reduced  
 11.10 rate.

11.11 (3) The entire market value of personal property that is: (i) tools, implements, and  
 11.12 machinery of an electric generation, transmission, or distribution system; (ii) tools,  
 11.13 implements, and machinery of a pipeline system transporting or distributing water, gas,  
 11.14 crude oil, or petroleum products; or (iii) the mains and pipes used in the distribution of  
 11.15 steam or hot or chilled water for heating or cooling buildings, has a classification rate as  
 11.16 provided under clause (1) for the remaining market value in excess of the first tier.

11.17 (4) Real property used for raising, cultivating, processing, or storing cannabis plants,  
 11.18 cannabis flower, or cannabis products for sale has a classification rate as provided under  
 11.19 clause (1) for the first tier of market value and the remaining market value. As used in this  
 11.20 paragraph, "cannabis plant" has the meaning given in section 342.01, subdivision 18,  
 11.21 "cannabis flower" has the meaning given in section 342.01, subdivision 15, and "cannabis  
 11.22 product" has the meaning given in section 342.01, subdivision 19.

11.23 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2024  
 11.24 and thereafter.

11.25 Sec. 4. Minnesota Statutes 2022, section 275.025, subdivision 2, is amended to read:

11.26 Subd. 2. **Commercial-industrial tax capacity.** For the purposes of this section,  
 11.27 "commercial-industrial tax capacity" means the tax capacity of all taxable property classified  
 11.28 as class 3 or class 5(1) under section 273.13, excluding:

11.29 (1) the tax capacity attributable to the first \$150,000 of market value of each parcel of  
 11.30 commercial-industrial property as defined under section 273.13, subdivision 24, clauses (1)  
 11.31 ~~and~~, (2), and (4);

11.32 (2) electric generation attached machinery under class 3; and

11.33 (3) property described in section 473.625.

12.1 County commercial-industrial tax capacity amounts are not adjusted for the captured  
 12.2 net tax capacity of a tax increment financing district under section 469.177, subdivision 2,  
 12.3 the net tax capacity of transmission lines deducted from a local government's total net tax  
 12.4 capacity under section 273.425, or fiscal disparities contribution and distribution net tax  
 12.5 capacities under chapter 276A or 473F. For purposes of this subdivision, the procedures  
 12.6 for determining eligibility for tier 1 under section 273.13, subdivision 24, clauses (1) and  
 12.7 (2), shall apply in determining the portion of a property eligible to be considered within the  
 12.8 first \$150,000 of market value.

12.9 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2024  
 12.10 and thereafter.

12.11 Sec. 5. **[289A.33] FILING REQUIREMENTS AND DUE DATES; SPECIAL RULES.**

12.12 (a) Upon request of any cannabis business as defined by section 342.01, subdivision 13,  
 12.13 required to collect and remit taxes imposed under section 295.81, chapter 290, or chapter  
 12.14 297A, the commissioner shall waive the requirement that payment of tax must be made  
 12.15 electronically if the failure to pay electronically is because the cannabis business is unable  
 12.16 to secure banking services and the inability to secure the services is due to its engagement  
 12.17 in cannabis-related business allowed under Minnesota law.

12.18 (b) If, in consultation with the commissioner of commerce, the commissioner determines  
 12.19 the inability to find banking services is widespread and enforcement of the electronic payment  
 12.20 requirement will significantly impede the ability of cannabis businesses to timely pay taxes  
 12.21 imposed under section 295.81, chapter 290, or chapter 297A, the commissioner may publish  
 12.22 notice on the department website that waives the requirement to pay the tax electronically.  
 12.23 If such notice is published, a cannabis business must file returns and pay taxes lawfully due  
 12.24 in the form and manner prescribed by the commissioner.

12.25 (c) Nothing in this subdivision relieves a cannabis business from timely filing and paying  
 12.26 taxes.

12.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

12.28 Sec. 6. Minnesota Statutes 2022, section 290.0132, subdivision 29, is amended to read:

12.29 Subd. 29. **Disallowed section 280E expenses; ~~medical cannabis manufacturers~~**  
 12.30 **licensees.** The amount of expenses of a medical cannabis ~~manufacturer~~ business, as defined  
 12.31 under section ~~152.22, subdivision 7~~ 342.01, subdivision 52, related to the business of medical  
 12.32 cannabis under sections ~~152.21 to 152.37~~ 342.47 to 342.59, or a license holder under chapter

13.1 342, related to the business of nonmedical cannabis under that chapter, and not allowed for  
 13.2 federal income tax purposes under section 280E of the Internal Revenue Code is a subtraction.

13.3 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 13.4 31, 2022.

13.5 Sec. 7. Minnesota Statutes 2022, section 290.0134, subdivision 19, is amended to read:

13.6 Subd. 19. **Disallowed section 280E expenses; ~~medical cannabis manufacturers~~**  
 13.7 **licensees.** The amount of expenses of a medical cannabis ~~manufacturer~~ business, as defined  
 13.8 under section ~~152.22, subdivision 7~~ 342.01, subdivision 52, related to the business of medical  
 13.9 cannabis under sections ~~152.21 to 152.37~~ 342.47 to 342.59, or a license holder under chapter  
 13.10 342, related to the business of nonmedical cannabis under that chapter, and not allowed for  
 13.11 federal income tax purposes under section 280E of the Internal Revenue Code is a subtraction.

13.12 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 13.13 31, 2022.

13.14 Sec. 8. **[295.81] CANNABIS GROSS RECEIPTS TAX.**

13.15 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
 13.16 the meanings given.

13.17 (b) "Bundled transaction" means the retail sale of two or more products when the products  
 13.18 are otherwise distinct and identifiable, and the products are sold for one non-itemized price.

13.19 (c) "Cannabis flower" has the meaning given in section 342.01, subdivision 15.

13.20 (d) "Cannabis product" has the meaning given in section 342.01, subdivision 19.

13.21 (e) "Cannabis solution product" means any cartridge, bottle, or other package that contains  
 13.22 a taxable cannabis product in a solution that is consumed or meant to be consumed through  
 13.23 the use of a heating element, power source, electronic circuit, or other electronic, chemical,  
 13.24 or mechanical means that produces vapor or aerosol. A cannabis solution product includes  
 13.25 any electronic delivery system, electronic vaping device, electronic vape pen, electronic  
 13.26 oral device, electronic delivery device, or similar product or device, and any batteries,  
 13.27 heating elements, or other components, parts, or accessories sold with and meant to be used  
 13.28 in the consumption of a solution containing a taxable cannabis product.

13.29 (f) "Cannabis mezzobusiness" means a cannabis business licensed under section 342.31.

13.30 (g) "Cannabis microbusiness" means a cannabis business licensed under section 342.29.

13.31 (h) "Cannabis retailer" means a cannabis business licensed under section 342.27.

- 14.1 (i) "Commissioner" means the commissioner of revenue.
- 14.2 (j) "Gross receipts" means the total amount received, in money or by barter or exchange,  
14.3 for all taxable cannabis product sales at retail as measured by the sales price. Gross receipts  
14.4 include but are not limited to delivery charges and packaging costs. Gross receipts do not  
14.5 include:
- 14.6 (1) any taxes imposed directly on the customer that are separately stated on the invoice,  
14.7 bill of sale, or similar document given to the purchaser; and
- 14.8 (2) discounts, including cash, terms, or coupons, that are not reimbursed by a third party  
14.9 and that are allowed by the seller and taken by a purchaser on a sale.
- 14.10 (k) "Hemp-derived consumer product" has the meaning given in section 342.01,  
14.11 subdivision 35.
- 14.12 (l) "Lower potency hemp edible" has the meaning given in section 342.01, subdivision  
14.13 49.
- 14.14 (m) "Lower potency hemp edible retailer" means a cannabis business licensed under  
14.15 section 342.41, subdivision 1, paragraph (b), clause (1).
- 14.16 (n) "Medical cannabis flower" has the meaning given in section 342.01, subdivision 53.
- 14.17 (o) "Medical cannabinoid product" has the meaning given in section 342.01, subdivision  
14.18 51.
- 14.19 (p) "Medical cannabis paraphernalia " has the meaning given in section 342.01,  
14.20 subdivision 54.
- 14.21 (q) "Retail sale" has the meaning given in section 297A.61, subdivision 4.
- 14.22 (r) "Taxable cannabis product" means cannabis flower, cannabis product, cannabis  
14.23 solution product, hemp-derived consumer product, lower-potency hemp edible, and any  
14.24 substantially similar product.
- 14.25 (s) "Taxable cannabis product retailer" means a retailer that sells any taxable cannabis  
14.26 product, and includes a cannabis retailer, cannabis microbusiness, cannabis mezzobusiness,  
14.27 and lower-potency hemp edible retailer. Taxable cannabis product retailer includes but is  
14.28 not limited to a:
- 14.29 (1) retailer maintaining a place of business in this state;
- 14.30 (2) marketplace provider maintaining a place of business in this state, as defined in  
14.31 section 297A.66, subdivision 1, paragraph (a);

15.1 (3) retailer not maintaining a place of business in this state; and

15.2 (4) marketplace provider not maintaining a place of business in this state, as defined in  
15.3 section 297A.66, subdivision 1, paragraph (b).

15.4 Subd. 2. **Gross receipts tax imposed.** (a) A tax equal to ten percent of gross receipts  
15.5 from retail sales in Minnesota of taxable cannabis products is imposed on any taxable  
15.6 cannabis product retailer that sells these products to customers. A taxable cannabis product  
15.7 retailer may but is not required to collect the tax imposed by this section from the purchaser  
15.8 as long as the tax is separately stated on the receipt, invoice, bill of sale, or similar document  
15.9 given to the purchaser.

15.10 (b) If a product subject to the tax imposed by this section is included in a bundled  
15.11 transaction, the entire sales price of the bundled transaction is subject to the tax imposed  
15.12 by this section.

15.13 (c) The tax imposed under this section is in addition to any other tax imposed on the  
15.14 sale or use of taxable cannabis products.

15.15 Subd. 3. **Use tax imposed; credit for taxes paid.** (a) A person that receives taxable  
15.16 cannabis products for use or storage in Minnesota, other than from a taxable cannabis product  
15.17 retailer that paid the tax under subdivision 2, is subject to tax at the rate imposed under  
15.18 subdivision 2. Liability for the tax is incurred when the person has possession of the taxable  
15.19 cannabis product in Minnesota. The tax must be remitted to the commissioner in the same  
15.20 manner prescribed for taxes imposed under chapter 297A.

15.21 (b) A person that has paid taxes to another state or any subdivision thereof on the same  
15.22 transaction and is subject to tax under this section is entitled to a credit for the tax legally  
15.23 due and paid to another state or subdivision thereof to the extent of the lesser of (1) the tax  
15.24 actually paid to the other state or subdivision thereof, or (2) the amount of tax imposed by  
15.25 Minnesota on the transaction subject to tax in the other state or subdivision thereof.

15.26 Subd. 4. **Exemptions.** (a) The use tax imposed under subdivision 3, paragraph (a), does  
15.27 not apply to the possession, use, or storage of taxable cannabis products if (1) the taxable  
15.28 cannabis products have an aggregate cost in any calendar month to the customer of \$100  
15.29 or less, and (2) the taxable cannabis products were carried into this state by the customer.

15.30 (b) The tax imposed under this section does not apply to sales of medical items purchased  
15.31 by or for the patients enrolled in the registry program, including medical cannabis flower,  
15.32 medical cannabinoid products, and medical cannabis paraphernalia.

16.1 (c) Unless otherwise specified in this section, the exemptions applicable to taxes imposed  
16.2 under chapter 297A are not applicable to the taxes imposed under this section.

16.3 Subd. 5. **Tax collection required.** A taxable cannabis product retailer with nexus in  
16.4 Minnesota, who is not subject to tax under subdivision 2, is required to collect the tax  
16.5 imposed under subdivision 3 from the purchaser of the taxable cannabis product and give  
16.6 the purchaser a receipt for the tax paid. The tax collected must be remitted to the  
16.7 commissioner in the same manner prescribed for the taxes imposed under chapter 297A.

16.8 Subd. 6. **Taxes paid to another state or any subdivision thereof; credit.** A taxable  
16.9 cannabis product retailer that has paid taxes to another state or any subdivision thereof  
16.10 measured by gross receipts and is subject to tax under this section on the same gross receipts  
16.11 is entitled to a credit for the tax legally due and paid to another state or any subdivision  
16.12 thereof to the extent of the lesser of (1) the tax actually paid to the other state or any  
16.13 subdivision thereof, or (2) the amount of tax imposed by Minnesota on the gross receipts  
16.14 subject to tax in the other taxing state or any subdivision thereof.

16.15 Subd. 7. **Sourcing of sales.** Section 297A.668 applies to the taxes imposed by this  
16.16 section.

16.17 Subd. 8. **Administration.** Unless specifically provided otherwise, the audit, assessment,  
16.18 refund, penalty, interest, enforcement, collection remedies, appeal, and administrative  
16.19 provisions of chapters 270C and 289A that are applicable to taxes imposed under chapter  
16.20 297A, except the requirement to file returns and remit taxes due electronically if the  
16.21 commissioner waives the requirement pursuant to section 289A.33, apply to the tax imposed  
16.22 under this section.

16.23 Subd. 9. **Returns; payment of tax.** (a) A taxable cannabis product retailer must report  
16.24 the tax on a return prescribed by the commissioner and must remit the tax in a form and  
16.25 manner prescribed by the commissioner. The return and the tax must be filed and paid using  
16.26 the filing cycle and due dates provided for taxes imposed under section 289A.20, subdivision  
16.27 4, and chapter 297A.

16.28 (b) Interest must be paid on an overpayment refunded or credited to the taxpayer from  
16.29 the date of payment of the tax until the date the refund is paid or credited. For purposes of  
16.30 this subdivision, the date of payment is the due date of the return or the date of actual  
16.31 payment of the tax, whichever is later.

16.32 Subd. 10. **Deposit of revenues; account established.** (a) The commissioner must deposit  
16.33 the revenues, including penalties and interest, derived from the tax imposed by this section  
16.34 as follows:

17.1 (1) 75 percent to the general fund; and

17.2 (2) 25 percent to the local government cannabis aid account in the special revenue fund.

17.3 (b) The local government cannabis aid account is established in the special revenue fund.

17.4 Subd. 11. **Personal debt.** The tax imposed by this section, and interest and penalties  
 17.5 imposed with respect to it, are a personal debt of the person required to file a return from  
 17.6 the time that the liability for it arises, irrespective of when the time for payment of the  
 17.7 liability occurs. The debt must, in the case of the executor or administrator of the estate of  
 17.8 a decedent and in the case of a fiduciary, be that of the person in the person's official or  
 17.9 fiduciary capacity only, unless the person has voluntarily distributed the assets held in that  
 17.10 capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which  
 17.11 event the person is personally liable for any deficiency.

17.12 **EFFECTIVE DATE.** This section is effective for gross receipts received after June 30,  
 17.13 2023.

17.14 **Sec. 9. [295.82] CANNABIS LOCAL TAX PROHIBITED.**

17.15 A political subdivision of this state is prohibited from imposing a tax under this section  
 17.16 solely on the sale of taxable cannabis products as defined under section 295.81, subdivision  
 17.17 1, paragraph (q).

17.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.19 **Sec. 10.** Minnesota Statutes 2022, section 297A.61, subdivision 3, is amended to read:

17.20 **Subd. 3. **Sale and purchase.**** (a) "Sale" and "purchase" include, but are not limited to,  
 17.21 each of the transactions listed in this subdivision. In applying the provisions of this chapter,  
 17.22 the terms "tangible personal property" and "retail sale" include the taxable services listed  
 17.23 in paragraph (g), clause (6), items (i) to (vi) and (viii), and the provision of these taxable  
 17.24 services, unless specifically provided otherwise. Services performed by an employee for  
 17.25 an employer are not taxable. Services performed by a partnership or association for another  
 17.26 partnership or association are not taxable if one of the entities owns or controls more than  
 17.27 80 percent of the voting power of the equity interest in the other entity. Services performed  
 17.28 between members of an affiliated group of corporations are not taxable. For purposes of  
 17.29 the preceding sentence, "affiliated group of corporations" means those entities that would  
 17.30 be classified as members of an affiliated group as defined under United States Code, title  
 17.31 26, section 1504, disregarding the exclusions in section 1504(b).

17.32 (b) Sale and purchase include:

18.1 (1) any transfer of title or possession, or both, of tangible personal property, whether  
18.2 absolutely or conditionally, for a consideration in money or by exchange or barter; and

18.3 (2) the leasing of or the granting of a license to use or consume, for a consideration in  
18.4 money or by exchange or barter, tangible personal property, other than a manufactured  
18.5 home used for residential purposes for a continuous period of 30 days or more.

18.6 (c) Sale and purchase include the production, fabrication, printing, or processing of  
18.7 tangible personal property for a consideration for consumers who furnish either directly or  
18.8 indirectly the materials used in the production, fabrication, printing, or processing.

18.9 (d) Sale and purchase include the preparing for a consideration of food. Notwithstanding  
18.10 section 297A.67, subdivision 2, taxable food includes, but is not limited to, the following:

18.11 (1) prepared food sold by the retailer;

18.12 (2) soft drinks;

18.13 (3) candy; and

18.14 (4) dietary supplements.

18.15 (e) A sale and a purchase includes the furnishing for a consideration of electricity, gas,  
18.16 water, or steam for use or consumption within this state.

18.17 (f) A sale and a purchase includes the transfer for a consideration of prewritten computer  
18.18 software whether delivered electronically, by load and leave, or otherwise.

18.19 (g) A sale and a purchase includes the furnishing for a consideration of the following  
18.20 services:

18.21 (1) the privilege of admission to places of amusement, recreational areas, or athletic  
18.22 events, and the making available of amusement devices, tanning facilities, reducing salons,  
18.23 steam baths, health clubs, and spas or athletic facilities;

18.24 (2) lodging and related services by a hotel, rooming house, resort, campground, motel,  
18.25 or trailer camp, including furnishing the guest of the facility with access to telecommunication  
18.26 services, and the granting of any similar license to use real property in a specific facility,  
18.27 other than the renting or leasing of it for a continuous period of 30 days or more under an  
18.28 enforceable written agreement that may not be terminated without prior notice and including  
18.29 accommodations intermediary services provided in connection with other services provided  
18.30 under this clause;

18.31 (3) nonresidential parking services, whether on a contractual, hourly, or other periodic  
18.32 basis, except for parking at a meter;

19.1 (4) the granting of membership in a club, association, or other organization if:

19.2 (i) the club, association, or other organization makes available for the use of its members  
19.3 sports and athletic facilities, without regard to whether a separate charge is assessed for use  
19.4 of the facilities; and

19.5 (ii) use of the sports and athletic facility is not made available to the general public on  
19.6 the same basis as it is made available to members.

19.7 Granting of membership means both onetime initiation fees and periodic membership dues.  
19.8 Sports and athletic facilities include golf courses; tennis, racquetball, handball, and squash  
19.9 courts; basketball and volleyball facilities; running tracks; exercise equipment; swimming  
19.10 pools; and other similar athletic or sports facilities;

19.11 (5) delivery of aggregate materials by a third party, excluding delivery of aggregate  
19.12 material used in road construction; and delivery of concrete block by a third party if the  
19.13 delivery would be subject to the sales tax if provided by the seller of the concrete block.

19.14 For purposes of this clause, "road construction" means construction of:

19.15 (i) public roads;

19.16 (ii) cartways; and

19.17 (iii) private roads in townships located outside of the seven-county metropolitan area  
19.18 up to the point of the emergency response location sign; and

19.19 (6) services as provided in this clause:

19.20 (i) laundry and dry cleaning services including cleaning, pressing, repairing, altering,  
19.21 and storing clothes, linen services and supply, cleaning and blocking hats, and carpet,  
19.22 drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not  
19.23 include services provided by coin operated facilities operated by the customer;

19.24 (ii) motor vehicle washing, waxing, and cleaning services, including services provided  
19.25 by coin operated facilities operated by the customer, and rustproofing, undercoating, and  
19.26 towing of motor vehicles;

19.27 (iii) building and residential cleaning, maintenance, and disinfecting services and pest  
19.28 control and exterminating services;

19.29 (iv) detective, security, burglar, fire alarm, and armored car services; but not including  
19.30 services performed within the jurisdiction they serve by off-duty licensed peace officers as  
19.31 defined in section 626.84, subdivision 1, or services provided by a nonprofit organization  
19.32 or any organization at the direction of a county for monitoring and electronic surveillance

20.1 of persons placed on in-home detention pursuant to court order or under the direction of the  
20.2 Minnesota Department of Corrections;

20.3 (v) pet grooming services;

20.4 (vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting  
20.5 and maintenance; tree, bush, and shrub pruning, bracing, spraying, and surgery; indoor plant  
20.6 care; tree, bush, shrub, and stump removal, except when performed as part of a land clearing  
20.7 contract as defined in section 297A.68, subdivision 40; and tree trimming for public utility  
20.8 lines. Services performed under a construction contract for the installation of shrubbery,  
20.9 plants, sod, trees, bushes, and similar items are not taxable;

20.10 (vii) massages, except when provided by a licensed health care facility or professional  
20.11 or upon written referral from a licensed health care facility or professional for treatment of  
20.12 illness, injury, or disease; and

20.13 (viii) the furnishing of lodging, board, and care services for animals in kennels and other  
20.14 similar arrangements, but excluding veterinary and horse boarding services.

20.15 (h) A sale and a purchase includes the furnishing for a consideration of tangible personal  
20.16 property or taxable services by the United States or any of its agencies or instrumentalities,  
20.17 or the state of Minnesota, its agencies, instrumentalities, or political subdivisions.

20.18 (i) A sale and a purchase includes the furnishing for a consideration of  
20.19 telecommunications services, ancillary services associated with telecommunication services,  
20.20 and pay television services. Telecommunication services include, but are not limited to, the  
20.21 following services, as defined in section 297A.669: air-to-ground radiotelephone service,  
20.22 mobile telecommunication service, postpaid calling service, prepaid calling service, prepaid  
20.23 wireless calling service, and private communication services. The services in this paragraph  
20.24 are taxed to the extent allowed under federal law.

20.25 (j) A sale and a purchase includes the furnishing for a consideration of installation if the  
20.26 installation charges would be subject to the sales tax if the installation were provided by  
20.27 the seller of the item being installed.

20.28 (k) A sale and a purchase includes the rental of a vehicle by a motor vehicle dealer to a  
20.29 customer when (1) the vehicle is rented by the customer for a consideration, or (2) the motor  
20.30 vehicle dealer is reimbursed pursuant to a service contract as defined in section 59B.02,  
20.31 subdivision 11.

20.32 (l) A sale and a purchase includes furnishing for a consideration of specified digital  
20.33 products or other digital products or granting the right for a consideration to use specified

21.1 digital products or other digital products on a temporary or permanent basis and regardless  
 21.2 of whether the purchaser is required to make continued payments for such right. Wherever  
 21.3 the term "tangible personal property" is used in this chapter, other than in subdivisions 10  
 21.4 and 38, the provisions also apply to specified digital products, or other digital products,  
 21.5 unless specifically provided otherwise or the context indicates otherwise.

21.6 (m) The sale of the privilege of admission under section 297A.61, subdivision 3,  
 21.7 paragraph (g), clause (1), to a place of amusement, recreational area, or athletic event  
 21.8 includes all charges included in the privilege of admission's sales price, without deduction  
 21.9 for amenities that may be provided, unless the amenities are separately stated and the  
 21.10 purchaser of the privilege of admission is entitled to add or decline the amenities, and the  
 21.11 amenities are not otherwise taxable.

21.12 (n) A sale and purchase includes the transfer for consideration of a taxable cannabis  
 21.13 product as defined in section 295.81, subdivision 1, paragraph (q).

21.14 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
 21.15 30, 2023.

21.16 Sec. 11. Minnesota Statutes 2022, section 297A.67, subdivision 2, is amended to read:

21.17 Subd. 2. **Food and food ingredients.** Except as otherwise provided in this subdivision,  
 21.18 food and food ingredients are exempt. For purposes of this subdivision, "food" and "food  
 21.19 ingredients" mean substances, whether in liquid, concentrated, solid, frozen, dried, or  
 21.20 dehydrated form, that are sold for ingestion or chewing by humans and are consumed for  
 21.21 their taste or nutritional value. Food and food ingredients exempt under this subdivision do  
 21.22 not include candy, soft drinks, dietary supplements, and prepared foods. Food and food  
 21.23 ingredients do not include alcoholic beverages ~~and~~, tobacco, taxable cannabis products,  
 21.24 medical cannabis flower, and medical cannabinoid products. For purposes of this subdivision,  
 21.25 "alcoholic beverages" means beverages that are suitable for human consumption and contain  
 21.26 one-half of one percent or more of alcohol by volume. For purposes of this subdivision,  
 21.27 "tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains  
 21.28 tobacco. For purposes of this subdivision, "taxable cannabis product" has the meaning given  
 21.29 in section 295.81, subdivision 1, paragraph (q), "medical cannabis flower" has the meaning  
 21.30 given in section 342.01, subdivision 53, and "medical cannabinoid product" has the meaning  
 21.31 given in section 342.01, subdivision 51. For purposes of this subdivision, "dietary  
 21.32 supplements" means any product, other than tobacco, intended to supplement the diet that:

21.33 (1) contains one or more of the following dietary ingredients:

- 22.1 (i) a vitamin;
- 22.2 (ii) a mineral;
- 22.3 (iii) an herb or other botanical;
- 22.4 (iv) an amino acid;
- 22.5 (v) a dietary substance for use by humans to supplement the diet by increasing the total  
22.6 dietary intake; and
- 22.7 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient  
22.8 described in items (i) to (v);
- 22.9 (2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form,  
22.10 or if not intended for ingestion in such form, is not represented as conventional food and is  
22.11 not represented for use as a sole item of a meal or of the diet; and
- 22.12 (3) is required to be labeled as a dietary supplement, identifiable by the supplement facts  
22.13 box found on the label and as required pursuant to Code of Federal Regulations, title 21,  
22.14 section 101.36.
- 22.15 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
22.16 30, 2023.
- 22.17 Sec. 12. Minnesota Statutes 2022, section 297A.67, subdivision 7, is amended to read:
- 22.18 Subd. 7. **Drugs; medical devices.** (a) Sales of the following drugs and medical devices  
22.19 for human use are exempt:
- 22.20 (1) drugs, including over-the-counter drugs;
- 22.21 (2) single-use finger-pricking devices for the extraction of blood and other single-use  
22.22 devices and single-use diagnostic agents used in diagnosing, monitoring, or treating diabetes;
- 22.23 (3) insulin and medical oxygen for human use, regardless of whether prescribed or sold  
22.24 over the counter;
- 22.25 (4) prosthetic devices;
- 22.26 (5) durable medical equipment for home use only;
- 22.27 (6) mobility enhancing equipment;
- 22.28 (7) prescription corrective eyeglasses; and
- 22.29 (8) kidney dialysis equipment, including repair and replacement parts.

23.1 (b) Items purchased in transactions covered by:

23.2 (1) Medicare as defined under title XVIII of the Social Security Act, United States Code,  
23.3 title 42, section 1395, et seq.; or

23.4 (2) Medicaid as defined under title XIX of the Social Security Act, United States Code,  
23.5 title 42, section 1396, et seq.

23.6 (c) For purposes of this subdivision:

23.7 (1) "Drug" means a compound, substance, or preparation, and any component of a  
23.8 compound, substance, or preparation, other than food and food ingredients, dietary  
23.9 supplements, taxable cannabis products as defined under section 295.81, subdivision 1,  
23.10 paragraph (q), or alcoholic beverages that is:

23.11 (i) recognized in the official United States Pharmacopoeia, official Homeopathic  
23.12 Pharmacopoeia of the United States, or official National Formulary, and supplement to any  
23.13 of them;

23.14 (ii) intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease;  
23.15 or

23.16 (iii) intended to affect the structure or any function of the body.

23.17 (2) "Durable medical equipment" means equipment, including repair and replacement  
23.18 parts, including single-patient use items, but not including mobility enhancing equipment,  
23.19 that:

23.20 (i) can withstand repeated use;

23.21 (ii) is primarily and customarily used to serve a medical purpose;

23.22 (iii) generally is not useful to a person in the absence of illness or injury; and

23.23 (iv) is not worn in or on the body.

23.24 For purposes of this clause, "repair and replacement parts" includes all components or  
23.25 attachments used in conjunction with the durable medical equipment, including repair and  
23.26 replacement parts which are for single patient use only.

23.27 (3) "Mobility enhancing equipment" means equipment, including repair and replacement  
23.28 parts, but not including durable medical equipment, that:

23.29 (i) is primarily and customarily used to provide or increase the ability to move from one  
23.30 place to another and that is appropriate for use either in a home or a motor vehicle;

23.31 (ii) is not generally used by persons with normal mobility; and

24.1 (iii) does not include any motor vehicle or equipment on a motor vehicle normally  
24.2 provided by a motor vehicle manufacturer.

24.3 (4) "Over-the-counter drug" means a drug that contains a label that identifies the product  
24.4 as a drug as required by Code of Federal Regulations, title 21, section 201.66. The label  
24.5 must include a "drug facts" panel or a statement of the active ingredients with a list of those  
24.6 ingredients contained in the compound, substance, or preparation. Over-the-counter drugs  
24.7 do not include grooming and hygiene products, regardless of whether they otherwise meet  
24.8 the definition. "Grooming and hygiene products" are soaps, cleaning solutions, shampoo,  
24.9 toothpaste, mouthwash, antiperspirants, and suntan lotions and sunscreens.

24.10 (5) "Prescribed" and "prescription" means a direction in the form of an order, formula,  
24.11 or recipe issued in any form of oral, written, electronic, or other means of transmission by  
24.12 a duly licensed health care professional.

24.13 (6) "Prosthetic device" means a replacement, corrective, or supportive device, including  
24.14 repair and replacement parts, worn on or in the body to:

24.15 (i) artificially replace a missing portion of the body;

24.16 (ii) prevent or correct physical deformity or malfunction; or

24.17 (iii) support a weak or deformed portion of the body.

24.18 Prosthetic device does not include corrective eyeglasses.

24.19 (7) "Kidney dialysis equipment" means equipment that:

24.20 (i) is used to remove waste products that build up in the blood when the kidneys are not  
24.21 able to do so on their own; and

24.22 (ii) can withstand repeated use, including multiple use by a single patient, notwithstanding  
24.23 the provisions of clause (2).

24.24 (8) A transaction is covered by Medicare or Medicaid if any portion of the cost of the  
24.25 item purchased in the transaction is paid for or reimbursed by the federal government or  
24.26 the state of Minnesota pursuant to the Medicare or Medicaid program, by a private insurance  
24.27 company administering the Medicare or Medicaid program on behalf of the federal  
24.28 government or the state of Minnesota, or by a managed care organization for the benefit of  
24.29 a patient enrolled in a prepaid program that furnishes medical services in lieu of conventional  
24.30 Medicare or Medicaid coverage pursuant to agreement with the federal government or the  
24.31 state of Minnesota.

25.1 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
25.2 30, 2023.

25.3 Sec. 13. Minnesota Statutes 2022, section 297A.70, subdivision 2, is amended to read:

25.4 Subd. 2. **Sales to government.** (a) All sales, except those listed in paragraph (b), to the  
25.5 following governments and political subdivisions, or to the listed agencies or instrumentalities  
25.6 of governments and political subdivisions, are exempt:

25.7 (1) the United States and its agencies and instrumentalities;

25.8 (2) school districts, local governments, the University of Minnesota, state universities,  
25.9 community colleges, technical colleges, state academies, the Perpich Minnesota Center for  
25.10 Arts Education, and an instrumentality of a political subdivision that is accredited as an  
25.11 optional/special function school by the North Central Association of Colleges and Schools;

25.12 (3) hospitals and nursing homes owned and operated by political subdivisions of the  
25.13 state of tangible personal property and taxable services used at or by hospitals and nursing  
25.14 homes;

25.15 (4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council  
25.16 of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt  
25.17 through December 31, 2016;

25.18 (5) other states or political subdivisions of other states, if the sale would be exempt from  
25.19 taxation if it occurred in that state; and

25.20 (6) public libraries, public library systems, multicounty, multitype library systems as  
25.21 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,  
25.22 the state library under section 480.09, and the Legislative Reference Library.

25.23 (b) This exemption does not apply to the sales of the following products and services:

25.24 (1) building, construction, or reconstruction materials purchased by a contractor or a  
25.25 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed  
25.26 maximum price covering both labor and materials for use in the construction, alteration, or  
25.27 repair of a building or facility;

25.28 (2) construction materials purchased by tax exempt entities or their contractors to be  
25.29 used in constructing buildings or facilities which will not be used principally by the tax  
25.30 exempt entities;

25.31 (3) the leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except  
25.32 for leases entered into by the United States or its agencies or instrumentalities;

26.1 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),  
 26.2 ~~and~~ prepared food, candy, soft drinks, ~~and~~ alcoholic beverages as defined in section 297A.67,  
 26.3 subdivision 2, and taxable cannabis products as defined under section 295.81, subdivision  
 26.4 1, paragraph (q), except for lodging, prepared food, candy, soft drinks, ~~and~~ alcoholic  
 26.5 beverages, and taxable cannabis products purchased directly by the United States or its  
 26.6 agencies or instrumentalities; or

26.7 (5) goods or services purchased by a local government as inputs to a liquor store, gas  
 26.8 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf  
 26.9 course, marina, campground, cafe, or laundromat.

26.10 (c) As used in this subdivision, "school districts" means public school entities and districts  
 26.11 of every kind and nature organized under the laws of the state of Minnesota, and any  
 26.12 instrumentality of a school district, as defined in section 471.59.

26.13 (d) For purposes of the exemption granted under this subdivision, "local governments"  
 26.14 has the following meaning:

26.15 (1) for the period prior to January 1, 2017, local governments means statutory or home  
 26.16 rule charter cities, counties, and townships; and

26.17 (2) beginning January 1, 2017, local governments means statutory or home rule charter  
 26.18 cities, counties, and townships; special districts as defined under section 6.465; any  
 26.19 instrumentality of a statutory or home rule charter city, county, or township as defined in  
 26.20 section 471.59; and any joint powers board or organization created under section 471.59.

26.21 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
 26.22 30, 2023.

26.23 Sec. 14. Minnesota Statutes 2022, section 297A.70, subdivision 4, is amended to read:

26.24 Subd. 4. **Sales to nonprofit groups.** (a) All sales, except those listed in paragraph (b),  
 26.25 to the following "nonprofit organizations" are exempt:

26.26 (1) a corporation, society, association, foundation, or institution organized and operated  
 26.27 exclusively for charitable, religious, or educational purposes if the item purchased is used  
 26.28 in the performance of charitable, religious, or educational functions;

26.29 (2) any senior citizen group or association of groups that:

26.30 (i) in general limits membership to persons who are either age 55 or older, or persons  
 26.31 with a physical disability;

27.1 (ii) is organized and operated exclusively for pleasure, recreation, and other nonprofit  
27.2 purposes, not including housing, no part of the net earnings of which inures to the benefit  
27.3 of any private shareholders; and

27.4 (iii) is an exempt organization under section 501(c) of the Internal Revenue Code; and

27.5 (3) an organization that qualifies for an exemption for memberships under subdivision  
27.6 12 if the item is purchased and used in the performance of the organization's mission.

27.7 For purposes of this subdivision, charitable purpose includes the maintenance of a cemetery  
27.8 owned by a religious organization.

27.9 (b) This exemption does not apply to the following sales:

27.10 (1) building, construction, or reconstruction materials purchased by a contractor or a  
27.11 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed  
27.12 maximum price covering both labor and materials for use in the construction, alteration, or  
27.13 repair of a building or facility;

27.14 (2) construction materials purchased by tax-exempt entities or their contractors to be  
27.15 used in constructing buildings or facilities that will not be used principally by the tax-exempt  
27.16 entities;

27.17 (3) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),  
27.18 ~~and~~ prepared food, candy, soft drinks, taxable cannabis product as defined under section  
27.19 295.81, subdivision 1, paragraph (q), and alcoholic beverages as defined in section 297A.67,  
27.20 subdivision 2, except wine purchased by an established religious organization for sacramental  
27.21 purposes or as allowed under subdivision 9a; and

27.22 (4) leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except as  
27.23 provided in paragraph (c).

27.24 (c) This exemption applies to the leasing of a motor vehicle as defined in section 297B.01,  
27.25 subdivision 11, only if the vehicle is:

27.26 (1) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a  
27.27 passenger automobile, as defined in section 168.002, if the automobile is designed and used  
27.28 for carrying more than nine persons including the driver; and

27.29 (2) intended to be used primarily to transport tangible personal property or individuals,  
27.30 other than employees, to whom the organization provides service in performing its charitable,  
27.31 religious, or educational purpose.

28.1 (d) A limited liability company also qualifies for exemption under this subdivision if  
28.2 (1) it consists of a sole member that would qualify for the exemption, and (2) the items  
28.3 purchased qualify for the exemption.

28.4 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
28.5 30, 2023.

28.6 Sec. 15. Minnesota Statutes 2022, section 297A.70, subdivision 18, is amended to read:

28.7 **Subd. 18. Nursing homes and boarding care homes.** (a) All sales, except those listed  
28.8 in paragraph (b), to a nursing home licensed under section 144A.02 or a boarding care home  
28.9 certified as a nursing facility under title 19 of the Social Security Act are exempt if the  
28.10 facility:

28.11 (1) is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal  
28.12 Revenue Code; and

28.13 (2) is certified to participate in the medical assistance program under title 19 of the Social  
28.14 Security Act, or certifies to the commissioner that it does not discharge residents due to the  
28.15 inability to pay.

28.16 (b) This exemption does not apply to the following sales:

28.17 (1) building, construction, or reconstruction materials purchased by a contractor or a  
28.18 subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed  
28.19 maximum price covering both labor and materials for use in the construction, alteration, or  
28.20 repair of a building or facility;

28.21 (2) construction materials purchased by tax-exempt entities or their contractors to be  
28.22 used in constructing buildings or facilities that will not be used principally by the tax-exempt  
28.23 entities;

28.24 (3) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),  
28.25 ~~and~~ prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,  
28.26 subdivision 2 and taxable cannabis products as defined under section 295.81, subdivision  
28.27 1, paragraph (q); and

28.28 (4) leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except as  
28.29 provided in paragraph (c).

28.30 (c) This exemption applies to the leasing of a motor vehicle as defined in section 297B.01,  
28.31 subdivision 11, only if the vehicle is:

29.1 (1) a truck, as defined in section 168.002; a bus, as defined in section 168.002; or a  
 29.2 passenger automobile, as defined in section 168.002, if the automobile is designed and used  
 29.3 for carrying more than nine persons including the driver; and

29.4 (2) intended to be used primarily to transport tangible personal property or residents of  
 29.5 the nursing home or boarding care home.

29.6 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June  
 29.7 30, 2023.

29.8 Sec. 16. Minnesota Statutes 2022, section 297A.85, is amended to read:

29.9 **297A.85 CANCELLATION OF PERMITS.**

29.10 The commissioner may cancel a permit if one of the following conditions occurs:

29.11 (1) the permit holder has not filed a sales or use tax return for at least one year;

29.12 (2) the permit holder has not reported any sales or use tax liability on the permit holder's  
 29.13 returns for at least two years;

29.14 (3) the permit holder requests cancellation of the permit;

29.15 (4) the permit is subject to cancellation under section 270C.722, subdivision 2, paragraph  
 29.16 (a); ~~or~~

29.17 (5) the permit is subject to cancellation under section 297A.84; or

29.18 (6) the permit holder is a taxable cannabis product retailer as defined in section 295.81,  
 29.19 subdivision 1, paragraph (r), other than a lower potency hemp edible retailer as licensed  
 29.20 under section 342.43, subdivision 1, and its license to sell a taxable cannabis product as  
 29.21 defined in section 295.81, subdivision 1, paragraph (q), has been revoked by the Office of  
 29.22 Cannabis Management.

29.23 **EFFECTIVE DATE.** This section is effective June 30, 2023.

29.24 Sec. 17. Minnesota Statutes 2022, section 297D.01, is amended to read:

29.25 **297D.01 DEFINITIONS.**

29.26 Subdivision 1. ~~**Marijuana**~~ **Illegal cannabis.** ~~"Marijuana"~~ "Illegal cannabis" means any  
 29.27 ~~marijuana~~ taxable cannabis product as defined in section 295.81, subdivision 1, paragraph  
 29.28 (q), whether real or counterfeit, as defined in section 152.01, subdivision 9, that is held,  
 29.29 possessed, transported, transferred, sold, or offered to be sold in violation of chapter 342  
 29.30 or Minnesota criminal laws.

30.1 Subd. 2. **Controlled substance.** "Controlled substance" means any drug or substance,  
 30.2 whether real or counterfeit, as defined in section 152.01, subdivision 4, that is held, possessed,  
 30.3 transported, transferred, sold, or offered to be sold in violation of Minnesota laws. "Controlled  
 30.4 substance" does not include ~~marijuana~~ illegal cannabis.

30.5 Subd. 3. **Tax obligor or obligor.** "Tax obligor" or "obligor" means a person who in  
 30.6 violation of Minnesota law manufactures, produces, ships, transports, or imports into  
 30.7 Minnesota or in any manner acquires or possesses more than 42-1/2 grams of ~~marijuana~~  
 30.8 illegal cannabis, or seven or more grams of any controlled substance, or ten or more dosage  
 30.9 units of any controlled substance which is not sold by weight. A quantity of ~~marijuana~~ illegal  
 30.10 cannabis or other controlled substance is measured by the weight of the substance whether  
 30.11 pure or impure or dilute, or by dosage units when the substance is not sold by weight, in  
 30.12 the tax obligor's possession. A quantity of a controlled substance is dilute if it consists of a  
 30.13 detectable quantity of pure controlled substance and any excipients or fillers.

30.14 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of revenue.

30.15 **EFFECTIVE DATE.** This section is effective June 30, 2023.

30.16 Sec. 18. Minnesota Statutes 2022, section 297D.04, is amended to read:

30.17 **297D.04 TAX PAYMENT REQUIRED FOR POSSESSION.**

30.18 No tax obligor may possess any ~~marijuana~~ illegal cannabis or controlled substance upon  
 30.19 which a tax is imposed by section 297D.08 unless the tax has been paid on the ~~marijuana~~  
 30.20 illegal cannabis or ~~other~~ a controlled substance as evidenced by a stamp or other official  
 30.21 indicia.

30.22 **EFFECTIVE DATE.** This section is effective June 30, 2023.

30.23 Sec. 19. Minnesota Statutes 2022, section 297D.06, is amended to read:

30.24 **297D.06 PHARMACEUTICALS.**

30.25 Nothing in this chapter requires persons registered under chapter 151 or otherwise  
 30.26 lawfully in possession of ~~marijuana~~ illegal cannabis or a controlled substance to pay the tax  
 30.27 required under this chapter.

30.28 **EFFECTIVE DATE.** This section is effective June 30, 2023.

31.1 Sec. 20. Minnesota Statutes 2022, section 297D.07, is amended to read:

31.2 **297D.07 MEASUREMENT.**

31.3 For the purpose of calculating the tax under section 297D.08, a quantity of ~~marijuana~~  
31.4 illegal cannabis or ~~other~~ a controlled substance is measured by the weight of the substance  
31.5 whether pure or impure or dilute, or by dosage units when the substance is not sold by  
31.6 weight, in the tax obligor's possession. A quantity of a controlled substance is dilute if it  
31.7 consists of a detectable quantity of pure controlled substance and any excipients or fillers.

31.8 **EFFECTIVE DATE.** This section is effective June 30, 2023.

31.9 Sec. 21. Minnesota Statutes 2022, section 297D.08, is amended to read:

31.10 **297D.08 TAX RATE.**

31.11 A tax is imposed on ~~marijuana~~ illegal cannabis and controlled substances as defined in  
31.12 section 297D.01 at the following rates:

31.13 (1) on each gram of ~~marijuana~~ illegal cannabis, or each portion of a gram, \$3.50; and

31.14 (2) on each gram of controlled substance, or portion of a gram, \$200; or

31.15 (3) on each ten dosage units of a controlled substance that is not sold by weight, or  
31.16 portion thereof, \$400.

31.17 **EFFECTIVE DATE.** This section is effective June 30, 2023.

31.18 Sec. 22. Minnesota Statutes 2022, section 297D.085, is amended to read:

31.19 **297D.085 CREDIT FOR PREVIOUSLY PAID TAXES.**

31.20 If another state or local unit of government has previously assessed an excise tax on the  
31.21 ~~marijuana~~ illegal cannabis or controlled substances, the taxpayer must pay the difference  
31.22 between the tax due under section 297D.08 and the tax previously paid. If the tax previously  
31.23 paid to the other state or local unit of government was equal to or greater than the tax due  
31.24 under section 297D.08, no tax is due. The burden is on the taxpayer to show that an excise  
31.25 tax on the ~~marijuana~~ illegal cannabis or controlled substances has been paid to another state  
31.26 or local unit of government.

31.27 **EFFECTIVE DATE.** This section is effective June 30, 2023.

32.1 Sec. 23. Minnesota Statutes 2022, section 297D.09, subdivision 1a, is amended to read:

32.2 Subd. 1a. **Criminal penalty; sale without affixed stamps.** In addition to the tax penalty  
32.3 imposed, a tax obligor distributing or possessing ~~marijuana~~ illegal cannabis or controlled  
32.4 substances without affixing the appropriate stamps, labels, or other indicia is guilty of a  
32.5 crime and, upon conviction, may be sentenced to imprisonment for not more than seven  
32.6 years or to payment of a fine of not more than \$14,000, or both.

32.7 **EFFECTIVE DATE.** This section is effective June 30, 2023.

32.8 Sec. 24. Minnesota Statutes 2022, section 297D.10, is amended to read:

32.9 **297D.10 STAMP PRICE.**

32.10 Official stamps, labels, or other indicia to be affixed to all ~~marijuana~~ illegal cannabis or  
32.11 controlled substances shall be purchased from the commissioner. The purchaser shall pay  
32.12 100 percent of face value for each stamp, label, or other indicia at the time of the purchase.

32.13 **EFFECTIVE DATE.** This section is effective June 30, 2023.

32.14 Sec. 25. Minnesota Statutes 2022, section 297D.11, is amended to read:

32.15 **297D.11 PAYMENT DUE.**

32.16 Subdivision 1. **Stamps affixed.** When a tax obligor purchases, acquires, transports, or  
32.17 imports into this state ~~marijuana~~ illegal cannabis or controlled substances on which a tax is  
32.18 imposed by section 297D.08, and if the indicia evidencing the payment of the tax have not  
32.19 already been affixed, the tax obligor shall have them permanently affixed on the ~~marijuana~~  
32.20 illegal cannabis or controlled substance immediately after receiving the substance. Each  
32.21 stamp or other official indicia may be used only once.

32.22 Subd. 2. **Payable on possession.** Taxes imposed upon ~~marijuana~~ illegal cannabis or  
32.23 controlled substances by this chapter are due and payable immediately upon acquisition or  
32.24 possession in this state by a tax obligor.

32.25 **EFFECTIVE DATE.** This section is effective June 30, 2023.

32.26 Sec. 26. **[477A.31] LOCAL GOVERNMENT CANNABIS AID.**

32.27 **Subdivision 1. Certification to commissioner of revenue.** (a) By July 15, 2024, and  
32.28 annually thereafter, the commissioner of management and budget must certify to the  
32.29 commissioner of revenue the balance of the local government cannabis aid account in the  
32.30 special revenue fund at the close of the previous fiscal year.

33.1 (b) By June 1, 2024, and annually thereafter, the director of the office of cannabis  
 33.2 management under section 342.02 must certify to the commissioner of revenue the number  
 33.3 of cannabis businesses as defined under section 342.01, subdivision 13, licensed under  
 33.4 chapter 342 as of the previous January 1, disaggregated by county and city.

33.5 Subd. 2. **Aid to counties.** (a) Beginning for aid payable in 2024, the amount available  
 33.6 for aid to counties under this subdivision equals 50 percent of the amount certified in that  
 33.7 year to the commissioner under subdivision 1, paragraph (a).

33.8 (b) Twenty percent of the amount under paragraph (a) must be distributed equally among  
 33.9 all counties.

33.10 (c) Eighty percent of the amount under paragraph (a) must be distributed proportionally  
 33.11 to each county according to the number of cannabis businesses located in the county as  
 33.12 compared to the number of cannabis businesses in all counties as of the most recent  
 33.13 certification under subdivision 1, paragraph (b).

33.14 Subd. 3. **Aid to cities.** (a) Beginning for aid payable in 2024, the amount available for  
 33.15 aid to cities under this subdivision equals 50 percent of the amount certified in that year to  
 33.16 the commissioner under subdivision 1, paragraph (a).

33.17 (b) The amount under paragraph (a) must be distributed proportionally to each city  
 33.18 according to the number of cannabis businesses located in the city as compared to the number  
 33.19 of cannabis businesses in all cities as of the most recent certification under subdivision 1,  
 33.20 paragraph (b).

33.21 Subd. 4. **Payment.** The commissioner of revenue must compute the amount of aid  
 33.22 payable to each county and city under this section. On or before August 1 of each year, the  
 33.23 commissioner must certify the amount to be paid to each county and city in that year. The  
 33.24 commissioner must pay the full amount of the aid on December 26 annually.

33.25 Subd. 5. **Appropriation.** Beginning in fiscal year 2025 and annually thereafter, the  
 33.26 amount in the local government cannabis aid account in the special revenue fund is annually  
 33.27 appropriated to the commissioner of revenue to make the aid payments required under this  
 33.28 section.

33.29 **EFFECTIVE DATE.** This section is effective July 1, 2023."

33.30 Page 175, line 22, delete "Cannabinoid" and insert "Cannabis" and delete "Cannabinoid"  
 33.31 and insert "Cannabis"

33.32 Page 175, line 23, delete "2" and insert "19"

- 34.1 Page 175, line 27, delete "3" and insert "14"
- 34.2 Page 175, line 31, delete "16" and insert "15"
- 34.3 Page 176, line 3, delete "cannabinoid" and insert "cannabis" and delete "cannabinoid"
- 34.4 and insert "cannabis"
- 34.5 Page 176, line 8, delete "19" and insert "18"
- 34.6 Page 179, line 18, delete "cannabinoid" and insert "cannabis"
- 34.7 Page 187, lines 1 and 11, delete "cannabinoid" and insert "cannabis"
- 34.8 Page 197, line 19, after the third comma, insert "for any purposes" and delete "but not
- 34.9 limited for"
- 34.10 Page 205, line 5, delete "16" and insert "15"
- 34.11 Page 205, lines 24 and 30, delete "cannabinoid" and insert "cannabis"
- 34.12 Page 205, line 25, delete "2" and insert "4"
- 34.13 Page 205, line 27, delete "4" and insert "3"
- 34.14 Page 206, lines 6, 12, 14, 15, 18, and 28, delete "cannabinoid" and insert "cannabis"
- 34.15 Page 207, lines 2, 9, and 12, delete "cannabinoid" and insert "cannabis"
- 34.16 Page 207, line 7, delete "16" and insert "15"
- 34.17 Page 208, delete section 6 and insert:
- 34.18 "Sec. 6. Minnesota Statutes 2022, section 34A.01, subdivision 4, as proposed to be amended
- 34.19 by S.F. No. 73, article 7, section 1, is amended to read:
- 34.20 Subd. 4. **Food.** "Food" means every ingredient used for, entering into the consumption
- 34.21 of, or used or intended for use in the preparation of food, drink, confectionery, or condiment
- 34.22 for humans or other animals, whether simple, mixed, or compound; and articles used as
- 34.23 components of these ingredients, except that edible ~~cannabinoid~~ cannabis products, as
- 34.24 defined in section ~~151.72, subdivision 1, paragraph (f)~~ 342.01, subdivision 29, and
- 34.25 lower-potency hemp edibles, as defined in section 342.01, subdivision 49, are not food.
- 34.26 **EFFECTIVE DATE.** This section is effective July 1, 2024."
- 34.27 Page 210, line 25, after "flower" insert "and cannabis products" and delete "and the use
- 34.28 of"
- 34.29 Page 210, line 26, delete everything before "in"

- 35.1 Page 210, line 32, after "flower" insert "and"
- 35.2 Page 211, line 1, delete everything before "cannabis" and after "products" insert "use"
- 35.3 Pages 212 to 219, delete sections 12 to 22
- 35.4 Page 219, line 18, after the period, insert "This section expires January 1, 2024."
- 35.5 Page 220, line 4, delete "16" and insert "15" and delete "2" and insert "19"
- 35.6 Page 220, line 20, delete "16" and insert "15"
- 35.7 Page 220, line 21, delete "2" and insert "19"
- 35.8 Page 221, line 6, delete "16" and insert "15"
- 35.9 Page 221, line 7, delete "2" and insert "19"
- 35.10 Page 222, line 8, delete "cannabinoid" and insert "cannabis"
- 35.11 Page 223, line 15, delete "cannabinoid" and insert "cannabis"
- 35.12 Page 236, line 17, after "LOWER-POTENCY" insert "HEMP"
- 35.13 Page 236, line 18, delete "PRODUCTS" and insert "RETAILER"
- 35.14 Page 236, line 23, before "edible" insert "hemp" and delete "product"
- 35.15 Page 237, delete section 49 and insert:
- 35.16 "Sec. 49. Minnesota Statutes 2022, section 340A.412, subdivision 14, as proposed to be
- 35.17 amended by S.F. No. 73, article 7, section 4, is amended to read:
- 35.18 Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision,
- 35.19 an exclusive liquor store may sell only the following items:
- 35.20 (1) alcoholic beverages;
- 35.21 (2) tobacco products;
- 35.22 (3) ice;
- 35.23 (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating
- 35.24 liquor;
- 35.25 (5) soft drinks;
- 35.26 (6) liqueur-filled candies;
- 35.27 (7) food products that contain more than one-half of one percent alcohol by volume;
- 35.28 (8) cork extraction devices;

- 36.1 (9) books and videos on the use of alcoholic beverages;
- 36.2 (10) magazines and other publications published primarily for information and education  
36.3 on alcoholic beverages;
- 36.4 (11) multiple-use bags designed to carry purchased items;
- 36.5 (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to  
36.6 prevent access by underage drinkers;
- 36.7 (13) home brewing equipment;
- 36.8 (14) clothing marked with the specific name, brand, or identifying logo of the exclusive  
36.9 liquor store, and bearing no other name, brand, or identifying logo;
- 36.10 (15) citrus fruit;
- 36.11 (16) glassware; and
- 36.12 (17) ~~edible cannabinoid products as defined in section 151.72, subdivision 1, paragraph~~  
36.13 ~~(f)~~ lower-potency hemp edibles as defined in section 342.01, subdivision 49.

36.14 (b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale  
36.15 license may sell food for on-premise consumption when authorized by the municipality  
36.16 issuing the license.

36.17 (c) An exclusive liquor store may offer live or recorded entertainment.

36.18 **EFFECTIVE DATE.** This section is effective July 1, 2024."

36.19 Page 247, after line 25, insert:

36.20 "(e) Minnesota Statutes 2022, section 151.72, is repealed."

36.21 Page 247, line 27, after the second period, insert "Paragraph (e) is effective July 1, 2024."

36.22 Page 248, delete lines 9 and 20

36.23 Page 253, line 24, delete "an"

36.24 Page 256, delete line 21

36.25 Page 256, before line 22, insert:

36.26 "Sec. 4. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to  
36.27 read:

36.28 Subd. 5d. **Indian lands.** (a) "Indian lands" means all lands within the limits of any Indian  
36.29 reservation within the boundaries of Minnesota and any lands within the boundaries of

37.1 Minnesota title to which are either held in trust by the United States or over which an Indian  
37.2 Tribe exercises governmental power.

37.3 (b) This subdivision expires January 1, 2024.

37.4 Sec. 5. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to  
37.5 read:

37.6 Subd. 15. **Tribal medical cannabis board.** (a) "Tribal medical cannabis board" means  
37.7 an agency established by each federally recognized Tribal government and duly authorized  
37.8 by that Tribe's governing body to perform regulatory oversight and monitor compliance  
37.9 with a Tribal medical cannabis program and applicable regulations.

37.10 (b) This subdivision expires January 1, 2024.

37.11 Sec. 6. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to  
37.12 read:

37.13 Subd. 16. **Tribal medical cannabis program.** (a) "Tribal medical cannabis program"  
37.14 means a program established by a federally recognized Tribal government within the  
37.15 boundaries of Minnesota regarding the commercial production, processing, sale or  
37.16 distribution, and possession of medical cannabis and medical cannabis products.

37.17 (b) This subdivision expires January 1, 2024.

37.18 Sec. 7. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to  
37.19 read:

37.20 Subd. 17. **Tribal medical cannabis program manufacturer.** (a) "Tribal medical cannabis  
37.21 program manufacturer" means an entity designated by a Tribal medical cannabis board  
37.22 within the boundaries of Minnesota or a federally recognized Tribal government within the  
37.23 boundaries of Minnesota to engage in production, processing, and sale or distribution of  
37.24 medical cannabis and medical cannabis products under that Tribe's Tribal medical cannabis  
37.25 program.

37.26 (b) This subdivision expires January 1, 2024.

37.27 Sec. 8. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to  
37.28 read:

37.29 Subd. 18. **Tribal medical cannabis program patient.** (a) "Tribal medical cannabis  
37.30 program patient" means a person who possesses a valid registration verification card or

38.1 equivalent document that is issued under the laws or regulations of a Tribal nation within  
38.2 the boundaries of Minnesota and that verifies that the person is enrolled in or authorized to  
38.3 participate in that Tribal nation's Tribal medical cannabis program.

38.4 (b) This subdivision expires January 1, 2024.

38.5 Sec. 9. Minnesota Statutes 2022, section 152.29, subdivision 4, is amended to read:

38.6 Subd. 4. **Report.** (a) Each manufacturer shall report to the commissioner on a monthly  
38.7 basis the following information on each individual patient for the month prior to the report:

38.8 (1) the amount and dosages of medical cannabis distributed;

38.9 (2) the chemical composition of the medical cannabis; and

38.10 (3) the tracking number assigned to any medical cannabis distributed.

38.11 (b) For transactions involving Tribal medical cannabis program patients, each  
38.12 manufacturer shall report to the commissioner on a weekly basis the following information  
38.13 on each individual Tribal medical cannabis program patient for the week prior to the report:

38.14 (1) the name of the Tribal medical cannabis program in which the Tribal medical cannabis  
38.15 program patient is enrolled;

38.16 (2) the amount and dosages of medical cannabis distributed;

38.17 (3) the chemical composition of the medical cannabis distributed; and

38.18 (4) the tracking number assigned to the medical cannabis distributed.

38.19 Sec. 10. Minnesota Statutes 2022, section 152.29, is amended by adding a subdivision to  
38.20 read:

38.21 Subd. 5. **Distribution to Tribal medical cannabis program patient.** (a) A manufacturer  
38.22 may distribute medical cannabis in accordance with subdivisions 1 to 4 to a Tribal medical  
38.23 cannabis program patient.

38.24 (b) Prior to distribution, the Tribal medical cannabis program patient must provide to  
38.25 the manufacturer:

38.26 (1) a valid medical cannabis registration verification card or equivalent document issued  
38.27 by a Tribal medical cannabis program that indicates that the Tribal medical cannabis program  
38.28 patient is authorized to use medical cannabis on Indian lands over which the Tribe has  
38.29 jurisdiction; and

39.1 (2) a valid photographic identification card issued by the Tribal medical cannabis  
 39.2 program, a valid driver's license, or a valid state identification card.

39.3 (c) A manufacturer shall distribute medical cannabis to a Tribal medical cannabis program  
 39.4 patient only in a form allowed under section 152.22, subdivision 6.

39.5 (d) This subdivision expires January 1, 2024.

39.6 Sec. 11. **[152.291] TRIBAL MEDICAL CANNABIS PROGRAM MANUFACTURER**  
 39.7 **TRANSPORTATION.**

39.8 (a) A Tribal medical cannabis program manufacturer may transport medical cannabis  
 39.9 to testing laboratories in the state and to other Indian lands.

39.10 (b) A Tribal medical cannabis program manufacturer must staff a motor vehicle used to  
 39.11 transport medical cannabis with at least two employees of the manufacturer. Each employee  
 39.12 in the transport vehicle must carry identification specifying that the employee is an employee  
 39.13 of the manufacturer, and one employee in the transport vehicle must carry a detailed  
 39.14 transportation manifest that includes the place and time of departure, the address of the  
 39.15 destination, and a description and count of the medical cannabis being transported.

39.16 (c) This section expires January 1, 2024.

39.17 Sec. 12. Minnesota Statutes 2022, section 152.30, is amended to read:

39.18 **152.30 PATIENT DUTIES.**

39.19 (a) A patient shall apply to the commissioner for enrollment in the registry program by  
 39.20 submitting an application as required in section 152.27 and an annual registration fee as  
 39.21 determined under section 152.35.

39.22 (b) As a condition of continued enrollment, patients shall agree to:

39.23 (1) continue to receive regularly scheduled treatment for their qualifying medical  
 39.24 condition from their health care practitioner; and

39.25 (2) report changes in their qualifying medical condition to their health care practitioner.

39.26 (c) A patient shall only receive medical cannabis from a registered manufacturer or  
 39.27 Tribal medical cannabis program but is not required to receive medical cannabis products  
 39.28 from only a registered manufacturer or Tribal medical cannabis program.

40.1 Sec. 13. Minnesota Statutes 2022, section 152.32, is amended to read:

40.2 **152.32 PROTECTIONS FOR REGISTRY PROGRAM OR TRIBAL MEDICAL**  
 40.3 **CANNABIS PROGRAM PARTICIPATION.**

40.4 Subdivision 1. **Presumption.** (a) There is a presumption that a patient enrolled in the  
 40.5 registry program under sections 152.22 to 152.37 or a Tribal medical cannabis program  
 40.6 patient is engaged in the authorized use of medical cannabis.

40.7 (b) The presumption may be rebutted by evidence that:

40.8 (1) a patient's conduct related to use of medical cannabis was not for the purpose of  
 40.9 treating or alleviating the patient's qualifying medical condition or symptoms associated  
 40.10 with the patient's qualifying medical condition; or

40.11 (2) a Tribal medical cannabis program patient's use of medical cannabis was not for a  
 40.12 purpose authorized by the Tribal medical cannabis program.

40.13 Subd. 2. **Criminal and civil protections.** (a) Subject to section 152.23, the following  
 40.14 are not violations under this chapter:

40.15 (1) use or possession of medical cannabis or medical cannabis products by a patient  
 40.16 enrolled in the registry program; ~~or;~~ possession by a registered designated caregiver or the  
 40.17 parent, legal guardian, or spouse of a patient if the parent, legal guardian, or spouse is listed  
 40.18 on the registry verification; or use or possession of medical cannabis or medical cannabis  
 40.19 products by a Tribal medical cannabis program patient;

40.20 (2) possession, dosage determination, or sale of medical cannabis or medical cannabis  
 40.21 products by a medical cannabis manufacturer, employees of a manufacturer, a Tribal medical  
 40.22 cannabis program manufacturer, employees of a Tribal medical cannabis program  
 40.23 manufacturer, a laboratory conducting testing on medical cannabis, or employees of the  
 40.24 laboratory; and

40.25 (3) possession of medical cannabis or medical cannabis products by any person while  
 40.26 carrying out the duties required under sections 152.22 to 152.37.

40.27 (b) Medical cannabis obtained and distributed pursuant to sections 152.22 to 152.37 and  
 40.28 associated property is not subject to forfeiture under sections 609.531 to 609.5316.

40.29 (c) The commissioner, members of a Tribal medical cannabis board, the commissioner's  
 40.30 or Tribal medical cannabis board's staff, the commissioner's or Tribal medical cannabis  
 40.31 board's agents or contractors, and any health care practitioner are not subject to any civil or  
 40.32 disciplinary penalties by the Board of Medical Practice, the Board of Nursing, or by any

41.1 business, occupational, or professional licensing board or entity, solely for ~~the~~ participation  
41.2 in the registry program under sections 152.22 to 152.37 or in a Tribal medical cannabis  
41.3 program. A pharmacist licensed under chapter 151 is not subject to any civil or disciplinary  
41.4 penalties by the Board of Pharmacy when acting in accordance with the provisions of  
41.5 sections 152.22 to 152.37. Nothing in this section affects a professional licensing board  
41.6 from taking action in response to violations of any other section of law.

41.7 (d) Notwithstanding any law to the contrary, the commissioner, the governor of  
41.8 Minnesota, or an employee of any state agency may not be held civilly or criminally liable  
41.9 for any injury, loss of property, personal injury, or death caused by any act or omission  
41.10 while acting within the scope of office or employment under sections 152.22 to 152.37.

41.11 (e) Federal, state, and local law enforcement authorities are prohibited from accessing  
41.12 the patient registry under sections 152.22 to 152.37 except when acting pursuant to a valid  
41.13 search warrant.

41.14 (f) Notwithstanding any law to the contrary, neither the commissioner nor a public  
41.15 employee may release data or information about an individual contained in any report,  
41.16 document, or registry created under sections 152.22 to 152.37 or any information obtained  
41.17 about a patient participating in the program, except as provided in sections 152.22 to 152.37.

41.18 (g) No information contained in a report, document, or registry or obtained from a patient  
41.19 under sections 152.22 to 152.37 or from a Tribal medical cannabis program patient may be  
41.20 admitted as evidence in a criminal proceeding unless independently obtained or in connection  
41.21 with a proceeding involving a violation of sections 152.22 to 152.37.

41.22 (h) Notwithstanding section 13.09, any person who violates paragraph (e) or (f) is guilty  
41.23 of a gross misdemeanor.

41.24 (i) An attorney may not be subject to disciplinary action by the Minnesota Supreme  
41.25 Court, a Tribal court, or the professional responsibility board for providing legal assistance  
41.26 to prospective or registered manufacturers or others related to activity that is no longer  
41.27 subject to criminal penalties under state law pursuant to sections 152.22 to 152.37, or for  
41.28 providing legal assistance to a Tribal medical cannabis program or a Tribal medical cannabis  
41.29 program manufacturer.

41.30 (j) ~~Possession of a registry verification or application for enrollment in the program by~~  
41.31 ~~a person entitled to possess or apply for enrollment in the registry program does~~ The  
41.32 following do not constitute probable cause or reasonable suspicion, nor and shall it not be  
41.33 used to support a search of the person or property of the person possessing or applying for

42.1 the registry verification or equivalent, or otherwise subject the person or property of the  
42.2 person to inspection by any governmental agency;

42.3 (1) possession of a registry verification or application for enrollment in the registry  
42.4 program by a person entitled to possess a registry verification or apply for enrollment in  
42.5 the registry program; or

42.6 (2) possession of a verification or equivalent issued by a Tribal medical cannabis program  
42.7 or application for enrollment in a Tribal medical cannabis program by a person entitled to  
42.8 possess such a verification or application.

42.9 Subd. 3. **Discrimination prohibited.** (a) No school or landlord may refuse to enroll or  
42.10 lease to and may not otherwise penalize a person solely for the person's status as a patient  
42.11 enrolled in the registry program under sections 152.22 to 152.37 or for the person's status  
42.12 as a Tribal medical cannabis program patient, unless failing to do so would violate federal  
42.13 law or regulations or cause the school or landlord to lose a monetary or licensing-related  
42.14 benefit under federal law or regulations.

42.15 (b) For the purposes of medical care, including organ transplants, a registry program  
42.16 enrollee's use of medical cannabis under sections 152.22 to 152.37, or a Tribal medical  
42.17 cannabis program patient's use of medical cannabis as authorized by the Tribal medical  
42.18 cannabis program, is considered the equivalent of the authorized use of any other medication  
42.19 used at the discretion of a physician, advanced practice registered nurse, or physician assistant  
42.20 and does not constitute the use of an illicit substance or otherwise disqualify a patient from  
42.21 needed medical care.

42.22 (c) Unless a failure to do so would violate federal law or regulations or cause an employer  
42.23 to lose a monetary or licensing-related benefit under federal law or regulations, an employer  
42.24 may not discriminate against a person in hiring, termination, or any term or condition of  
42.25 employment, or otherwise penalize a person, if the discrimination is based upon ~~either~~ any  
42.26 of the following:

42.27 (1) the person's status as a patient enrolled in the registry program under sections 152.22  
42.28 to 152.37; ~~or~~

42.29 (2) the person's status as a Tribal medical cannabis program patient; or

42.30 ~~(2)~~ (3) a patient's positive drug test for cannabis components or metabolites, unless the  
42.31 patient used, possessed, or was impaired by medical cannabis on the premises of the place  
42.32 of employment or during the hours of employment.

43.1 (d) An employee who is required to undergo employer drug testing pursuant to section  
 43.2 181.953 may present verification of enrollment in the patient registry or of enrollment in a  
 43.3 Tribal medical cannabis program as part of the employee's explanation under section 181.953,  
 43.4 subdivision 6.

43.5 (e) A person shall not be denied custody of a minor child or visitation rights or parenting  
 43.6 time with a minor child solely based on the person's status as a patient enrolled in the registry  
 43.7 program under sections 152.22 to 152.37, or on the person's status as a Tribal medical  
 43.8 cannabis program patient. There shall be no presumption of neglect or child endangerment  
 43.9 for conduct allowed under sections 152.22 to 152.37 or under a Tribal medical cannabis  
 43.10 program, unless the person's behavior is such that it creates an unreasonable danger to the  
 43.11 safety of the minor as established by clear and convincing evidence.

43.12 Sec. 14. Minnesota Statutes 2022, section 152.33, subdivision 1, is amended to read:

43.13 Subdivision 1. **Intentional diversion; criminal penalty.** In addition to any other  
 43.14 applicable penalty in law, a manufacturer or an agent of a manufacturer who intentionally  
 43.15 transfers medical cannabis to a person other than another registered manufacturer, a patient,  
 43.16 a Tribal medical cannabis program patient, a registered designated caregiver or, if listed on  
 43.17 the registry verification, a parent, legal guardian, or spouse of a patient is guilty of a felony  
 43.18 punishable by imprisonment for not more than two years or by payment of a fine of not  
 43.19 more than \$3,000, or both. A person convicted under this subdivision may not continue to  
 43.20 be affiliated with the manufacturer and is disqualified from further participation under  
 43.21 sections 152.22 to 152.37."

43.22 Page 257, delete line 21

43.23 Page 258, delete line 6

43.24 Page 258, delete section 6 and insert:

43.25 "Sec. 15. **EFFECTIVE DATE.**

43.26 This article is effective the day following final enactment."

43.27 Renumber the sections in sequence

43.28 Amend the title numbers accordingly

43.29 And when so amended the bill do pass and be re-referred to the Committee on Finance.

43.30 Amendments adopted. Report adopted.

04/18/23

SENATEE

GME

SS0073R12

*Don A. Rest*

44.1

44.2

.....  
(Committee Chair)

44.3

44.4

April 17, 2023.....  
(Date of Committee recommendation)