

Senator Klein from the Committee on Commerce and Consumer Protection, to which was referred

S.F. No. 4782: A bill for an act relating to state government; modifying cannabis provisions; appropriating money; amending Minnesota Statutes 2023 Supplement, sections 3.9224; 151.72, subdivisions 1, 2, 4, 5a, 5b, 6, 7; 256B.0625, subdivision 13d; 290.0132, subdivision 29; 290.0134, subdivision 19; 295.81, subdivisions 1, 4; 297A.70, subdivision 2; 342.01, subdivisions 3, 4, 14, 16, 17, 19, 20, 48, 64, 65, 66, by adding a subdivision; 342.02, subdivisions 2, 3, 5, 6; 342.07, subdivision 3; 342.09, subdivisions 1, 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, subdivisions 1, 2, by adding a subdivision; 342.17; 342.18, subdivision 3, by adding subdivisions; 342.19, subdivisions 1, 3, 4, 5; 342.22; 342.24, subdivisions 1, 2; 342.28, subdivision 2, by adding a subdivision; 342.29, subdivisions 1, 4; 342.30, subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision 1, by adding a subdivision; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivisions 1, 3; 342.44, subdivision 1; 342.51; 342.515; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55, subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 3, 4, 5, 6, 7; 342.58; 342.60; 342.61, subdivisions 4, 5; 342.63, subdivisions 2, 3, 4, 6; Laws 2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article 6, section 73; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2023 Supplement, sections 342.01, subdivisions 28, 52, 53, 54, 55; 342.18, subdivision 1; 342.27, subdivision 13; 342.29, subdivision 9; 342.47; 342.48; 342.49; 342.50; 342.52, subdivision 8; Laws 2023, chapter 63, article 7, sections 4; 6.

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

Page 6, after line 18, insert:

"Sec. 2. Minnesota Statutes 2022, section 18K.03, is amended by adding a subdivision to read:

Subd. 3. **Sale to cannabis and hemp businesses.** (a) An industrial hemp grower licensed under this chapter may sell hemp plant parts and propagules to a cannabis business or hemp business licensed under chapter 342.

(b) An industrial hemp processor licensed under this chapter may sell hemp concentrate to a cannabis business or hemp business licensed under chapter 342."

Page 7, after line 30, insert:

"(m) "Tincture" means a solution of hemp extract, derived either directly from the hemp plant or from a manufactured hemp extract, dissolved in glycerin, food-grade oils, or other food-grade solvents and is intended to be eaten as an edible cannabinoid product under section 151.72, paragraph (f)."

Page 11, line 8, delete "Existing registrations through" and insert "All existing registrations with"

Page 11, line 9, delete "must be transferred" and insert "as of June 30, 2024, will automatically transfer" and delete "by" and insert "on"

2.1 Page 13, line 27, delete the new language

2.2 Page 13, line 30, delete the new language and reinstate the stricken language

2.3 Page 14, lines 1 and 2, reinstate the stricken language

2.4 Page 14, line 1, strike "medical" and strike "54" and insert "16" and strike "medical"

2.5 Page 14, line 2, strike "52" and insert "12, or cannabis products as defined in section
2.6 342.01, subdivision 20"

2.7 Page 17, after line 6, insert:

2.8 "Sec. 15. Minnesota Statutes 2023 Supplement, section 297A.67, subdivision 2, is amended
2.9 to read:

2.10 Subd. 2. **Food and food ingredients.** Except as otherwise provided in this subdivision,
2.11 food and food ingredients are exempt. For purposes of this subdivision, "food" and "food
2.12 ingredients" mean substances, whether in liquid, concentrated, solid, frozen, dried, or
2.13 dehydrated form, that are sold for ingestion or chewing by humans and are consumed for
2.14 their taste or nutritional value. Food and food ingredients exempt under this subdivision do
2.15 not include candy, soft drinks, dietary supplements, and prepared foods. Food and food
2.16 ingredients do not include alcoholic beverages, tobacco, taxable cannabis products, ~~medical~~
2.17 ~~cannabis flower, and medical cannabinoid products~~ and any item exempt from tax under
2.18 section 295.81, subdivision 4, paragraph (b). For purposes of this subdivision, "alcoholic
2.19 beverages" means beverages that are suitable for human consumption and contain one-half
2.20 of one percent or more of alcohol by volume. For purposes of this subdivision, "tobacco"
2.21 means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.
2.22 For purposes of this subdivision, "taxable cannabis product" has the meaning given in section
2.23 295.81, subdivision 1, paragraph (r), ~~"medical cannabis flower" has the meaning given in~~
2.24 ~~section 342.01, subdivision 54, and "medical cannabinoid product" has the meaning given~~
2.25 ~~in section 342.01, subdivision 52 (o).~~ For purposes of this subdivision, "dietary supplements"
2.26 means any product, other than tobacco, intended to supplement the diet that:

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

2.28 (i) a vitamin;

2.29 (ii) a mineral;

2.30 (iii) an herb or other botanical;

2.31 (iv) an amino acid;

3.1 (v) a dietary substance for use by humans to supplement the diet by increasing the total
3.2 dietary intake; and

3.3 (vi) a concentrate, metabolite, constituent, extract, or combination of any ingredient
3.4 described in items (i) to (v);

3.5 (2) is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form,
3.6 or if not intended for ingestion in such form, is not represented as conventional food and is
3.7 not represented for use as a sole item of a meal or of the diet; and

3.8 (3) is required to be labeled as a dietary supplement, identifiable by the supplement facts
3.9 box found on the label and as required pursuant to Code of Federal Regulations, title 21,
3.10 section 101.36."

3.11 Page 19, after line 7, insert:

3.12 "Sec. 19. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 12, is amended
3.13 to read:

3.14 Subd. 12. **Cannabinoid product.** "Cannabinoid product" means any of the following:

3.15 (1) a cannabis product;

3.16 (2) a hemp-derived consumer product;~~or;~~

3.17 (3) a lower-potency hemp edible; or

3.18 (4) a product that consists of or contains cannabis concentrate or hemp concentrate or
3.19 is infused with cannabinoids, and is provided to:

3.20 (i) a patient enrolled in the registry program;

3.21 (ii) a registered designated caregiver; or

3.22 (iii) a parent, legal guardian, or spouse of an enrolled patient, by a cannabis retailer or
3.23 medical cannabis retailer to treat or alleviate the symptoms of a qualifying medical condition."

3.24 Page 20, line 20, after "include" insert "industrial" and after "hemp" insert "as defined
3.25 in section 18K.02, subdivision 3"

3.26 Page 22, line 11, strike "retailer" and before "and" insert "business with a medical
3.27 cannabis retail endorsement"

3.28 Page 24, line 27, after "produces" insert "cannabis flower, "

3.29 Page 26, line 7, delete everything after "effective" and insert "July 1, 2024."

3.30 Page 26, delete line 8

- 4.1 Page 34, line 7, delete everything after "applicant"
- 4.2 Page 34, line 8, delete the new language
- 4.3 Page 34, line 14, before "During" insert "Notwithstanding paragraph (a), "
- 4.4 Page 34, line 16, before "issued" insert "initially"
- 4.5 Page 34, line 31, before the colon, insert "per application period"
- 4.6 Page 35, line 13, delete "defined by" and insert "described in"
- 4.7 Page 35, line 19, after "application" insert "process"
- 4.8 Page 36, line 7, delete "material" and insert "materially"
- 4.9 Page 37, delete lines 6 and 7
- 4.10 Page 37, line 8, delete "(4)" and insert "(3)"
- 4.11 Page 37, line 10, delete "(5)" and insert "(4)"
- 4.12 Page 37, line 23, delete "that is not temporary"
- 4.13 Page 38, line 3, delete "that is not temporary"
- 4.14 Page 38, delete lines 18 and 19
- 4.15 Page 38, line 20, delete "(e)" and insert "(d)"
- 4.16 Page 38, line 24, delete "(f)" and insert "(e)"
- 4.17 Page 38, line 25, delete everything after the second "not" and insert "request
- 4.18 reconsideration."
- 4.19 Page 38, delete line 26
- 4.20 Page 40, line 28, delete the new language
- 4.21 Page 45, delete subdivision 1
- 4.22 Page 45, line 16, delete "The office"
- 4.23 Page 45, delete line 17
- 4.24 Page 45, line 18, delete "under chapter 13,"
- 4.25 Page 46, line 30, strike ", or" and insert "; (5)"
- 4.26 Renumber the clauses in sequence
- 4.27 Page 49, line 20, after "holders" insert "with a retail endorsement" and delete "earn no"
- 4.28 and insert "obtain at least one other"

5.1 Page 49, line 21, delete "less than two distinctly different endorsements" and insert
5.2 "endorsement"

5.3 Page 50, line 9, delete "cannabis" and insert "hemp"

5.4 Page 51, line 6, delete everything after the second "of" and insert "cannabis business,
5.5 hemp business, or a business engaged in the cultivation, manufacture, or retail sale of
5.6 cannabis without a license under this chapter"

5.7 Page 51, line 7, delete the new language

5.8 Page 51, line 11, delete everything after the second "of" and insert "any cannabis business,
5.9 hemp business, or a business engaged in the cultivation, manufacture, or retail sale of
5.10 cannabis without a license under this chapter"

5.11 Page 51, line 12, delete the new language

5.12 Page 51, line 14, delete the new language and insert "any cannabis business, hemp
5.13 business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis
5.14 without a license under this chapter"

5.15 Page 51, line 15, delete the new language

5.16 Page 51, line 28, delete the new language and insert "cannabis business, hemp business,
5.17 or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a
5.18 license under this chapter"

5.19 Page 51, line 29, delete the new language

5.20 Page 52, line 8, delete everything after "any" and insert "cannabis business, hemp
5.21 business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis
5.22 without a license under this chapter"

5.23 Page 52, line 9, delete "industry"

5.24 Page 52, line 13, delete the new language and insert "cannabis business, hemp business,
5.25 or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a
5.26 license under this chapter"

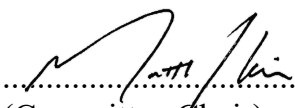
5.27 Page 52, line 14, delete the new language

5.28 Page 56, line 13, after "program" insert "and consuming cannabis as prescribed"

5.29 Page 56, line 21, after "researcher" insert "employed by or affiliated with institutions of
5.30 higher education that are regionally or nationally accredited"

5.31 Page 57, line 2, strike "of"

- 6.1 Page 57, line 4, delete the first "plant canopy" and delete "plant canopy" and insert "size"
- 6.2 Page 60, delete section 64
- 6.3 Page 64, delete section 69 and insert:
 - 6.4 "Sec. 71. [342.465] LOWER-POTENCY HEMP EDIBLES; PROHIBITED
 - 6.5 CONDUCT.
 - 6.6 No person may sell, give, furnish, or in any way procure for another person lower-potency
 - 6.7 hemp edibles for the use of an obviously impaired person."
- 6.8 Page 68, line 21, after the second "business" insert "or holding an active registration
- 6.9 agreement under section 152.25, subdivision 1"
- 6.10 Page 69, line 31, delete "subdivision 1,"
- 6.11 Renumber the subdivisions and sections in sequence and correct the internal references
- 6.12 Amend the title numbers accordingly
- 6.13 And when so amended the bill do pass and be re-referred to the Committee on
- 6.14 Agriculture, Broadband, and Rural Development. Amendments adopted. Report adopted.

6.15 .....
6.16 (Committee Chair)

6.17 March 22, 2024.....
6.18 (Date of Committee recommendation)