

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 4782

(SENATE AUTHORS: PORT, Klein, Oumou Verbeten, Kupec and Murphy)		
DATE	D-PG	OFFICIAL STATUS
03/07/2024	12063	Introduction and first reading Referred to Commerce and Consumer Protection
03/25/2024	12819a	Comm report: To pass as amended and re-refer to Agriculture, Broadband, and Rural Development
	12892	Authors added Klein; Oumou Verbeten; Kupec; Murphy
04/02/2024		Comm report: To pass and re-referred to State and Local Government and Veterans Joint rule 2.03, referred to Rules and Administration

- 1.1

A bill for an act
- 1.2

relating to state government; modifying cannabis provisions; appropriating money;
- 1.3

amending Minnesota Statutes 2022, section 18K.03, by adding a subdivision;
- 1.4

Minnesota Statutes 2023 Supplement, sections 3.9224; 151.72, subdivisions 1, 2,
- 1.5

4, 5a, 5b, 6, 7; 256B.0625, subdivision 13d; 290.0132, subdivision 29; 290.0134,
- 1.6

subdivision 19; 295.81, subdivisions 1, 4; 297A.67, subdivision 2; 297A.70,
- 1.7

subdivision 2; 342.01, subdivisions 3, 4, 12, 14, 16, 17, 19, 20, 48, 64, 65, 66, by
- 1.8

adding a subdivision; 342.02, subdivisions 2, 3, 5, 6; 342.07, subdivision 3; 342.09,
- 1.9

subdivisions 1, 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, subdivisions
- 1.10

1, 2, by adding a subdivision; 342.17; 342.18, subdivision 3, by adding
- 1.11

subdivisions; 342.19, subdivisions 1, 3, 4, 5; 342.22; 342.24, subdivisions 1, 2;
- 1.12

342.28, subdivision 2, by adding a subdivision; 342.29, subdivisions 1, 4; 342.30,
- 1.13

subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision
- 1.14

1; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivisions 1, 3; 342.51;
- 1.15

342.515; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55,
- 1.16

subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 3, 4, 5, 6,
- 1.17

7; 342.58; 342.60; 342.61, subdivisions 4, 5; 342.63, subdivisions 2, 3, 4, 6; Laws
- 1.18

2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article
- 1.19

6, section 73; proposing coding for new law in Minnesota Statutes, chapter 342;
- 1.20

repealing Minnesota Statutes 2023 Supplement, sections 342.01, subdivisions 28,
- 1.21

52, 53, 54, 55; 342.18, subdivision 1; 342.27, subdivision 13; 342.29, subdivision
- 1.22

9; 342.47; 342.48; 342.49; 342.50; 342.52, subdivision 8; Laws 2023, chapter 63,
- 1.23

article 7, sections 4; 6.
- 1.24

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.25

Section 1. Minnesota Statutes 2023 Supplement, section 3.9224, is amended to read:
- 1.26

3.9224 MEDICAL CANNABIS; COMPACTS TO BE NEGOTIATED.
- 1.27

Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
- 1.28

meanings given.

(b) "Medical cannabis law" or "medical cannabis program" means the regulatory framework for cultivation, production, distribution, and sale of cannabis to qualifying patients for therapeutic use in the treatment of a qualifying condition.

(c) "~~Medical~~ Cannabis flower" means cannabis flower approved for sale under the medical cannabis law of a Minnesota Tribal government or under a compact entered into under this section.

(d) "Medical cannabis product" means a cannabis product approved for sale under the medical cannabis law of a Minnesota Tribal government or under a compact entered into under this section.

(e) "Medical cannabis business" means a ~~medical cannabis cultivator, processor, or retailer~~ business with a medical cannabis retail endorsement.

(f) "Medical cannabis industry" means every item, product, person, process, action, business, or other thing or activity related to ~~medical~~ cannabis flower or medical cannabis products and subject to regulation under the law of a Minnesota Tribal government or under a compact entered into under this section.

(g) "Cannabis product" means any of the following:

(1) cannabis concentrate;

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

(3) any other product that contains cannabis concentrate.

(h) "Minnesota Tribal governments" means the following federally recognized Indian Tribes located in Minnesota:

(1) Bois Forte Band;

(2) Fond Du Lac Band;

(3) Grand Portage Band;

(4) Leech Lake Band;

(5) Mille Lacs Band;

(6) White Earth Band;

(7) Red Lake Nation;

3.1 (8) Lower Sioux Indian Community;

3.2 (9) Prairie Island Indian Community;

3.3 (10) Shakopee Mdewakanton Sioux Community; and

3.4 (11) Upper Sioux Indian Community.

3.5 (i) "Tribal medical cannabis business" means a medical cannabis business licensed by
3.6 a Minnesota Tribal government, including the business categories identified in paragraph
3.7 (e), as well as any others that may be provided under the law of a Minnesota Tribal
3.8 government.

3.9 (j) "Tribally regulated land" means:

3.10 (1) all land held in trust by the United States for the benefit of a Minnesota Tribal
3.11 government ("trust land");

3.12 (2) all land held by a Minnesota Tribal government in restricted fee status; and

3.13 (3) all land within the exterior boundaries of the reservation of a Minnesota Tribal
3.14 government that is subject to the civil regulatory jurisdiction of the Tribal government. For
3.15 the purposes of this section, land that is subject to the civil regulatory jurisdiction of the
3.16 Tribal government includes:

3.17 (i) trust land, or fee land held, including leased land, by the Tribe, entities organized
3.18 under Tribal law, or individual Indians; and

3.19 (ii) land held, including leased land, by non-Indian entities or individuals who consent
3.20 to the civil regulation of the Tribal government or are otherwise subject to such regulation
3.21 under federal law.

3.22 Subd. 2. **Acknowledgment and purpose; negotiations authorized.** (a) The state of
3.23 Minnesota acknowledges the sovereign right of Minnesota Tribal governments to regulate
3.24 the medical cannabis industry and address other matters of cannabis regulation related to
3.25 the internal affairs of Minnesota Tribal governments or otherwise within their jurisdiction,
3.26 without regard to whether such Tribal government has entered a compact authorized by this
3.27 section. The purpose of this section is to provide for the negotiation of compacts to
3.28 proactively address jurisdictional issues related to the regulation of the medical cannabis
3.29 industry. The legislature finds that these agreements will facilitate and promote a cooperative
3.30 and mutually beneficial relationship between the state and the Tribes regarding the
3.31 legalization of cannabis. Such cooperative agreements will enhance public health and safety,

ensure a lawful and well-regulated medical cannabis market, encourage economic development, and provide fiscal benefits to both Indian Tribes and the state.

(b) The governor or the governor's designee shall negotiate in good faith, and has the authority to execute and bind the state to, a compact with any Minnesota Tribal government wishing to enter into such a compact regulating ~~medical~~ cannabis flower and medical cannabis products.

Subd. 3. **Terms of compact; rights of parties.** (a) A compact agreed to under this section may address any issues related to the medical cannabis industry, including ~~medical~~ cannabis flower, medical cannabis products, extracts, concentrates, and artificially derived cannabinoids that affect the interest of both the state and Minnesota Tribal government or otherwise have an impact on Tribal-state relations. Indian Tribes are not required to enter into compacts pursuant to this section in order to regulate the medical cannabis industry, or engage in medical cannabis businesses or activities on Tribally regulated land or participate as a licensee in the state's legal medical cannabis market.

(b) The state shall not, as a condition for entering into a compact under this section:

(1) require any Minnesota Tribal government to waive any right, privilege, or immunity based on their status as independent sovereigns;

(2) require that any revenue generated by a medical cannabis business licensed by a Minnesota Tribal government be subject to any state cannabis gross receipt taxes or state and local sales or use taxes on sales of cannabis;

(3) require any taxes collected by Minnesota Tribal governments to be shared in any manner with the state or any subdivisions thereof;

(4) require a Minnesota Tribal government to consent to state licensing of a medical cannabis business on the Tribally regulated land of the Minnesota Tribal government;

(5) require any Minnesota Tribal government or any medical cannabis business licensed by a Minnesota Tribal government pursuant to a compact agreed to under this section to comply with specific state law or regulations on Tribally regulated land; or

(6) impose, or attempt to impose, and shall not require or attempt to require any Indian Tribe to impose, any taxes, fees, assessments, and other charges related to the production, processing, sale, purchase, distribution, or possession of ~~medical~~ cannabis flower and medical cannabis products on Minnesota Tribal governments, or their members, on a reservation or Tribally regulated land.

(c) Compacts agreed to under this section may allow an exemption from any otherwise applicable tax for: (i) sales to a Minnesota Tribal government, a Tribal medical cannabis business, or Tribal members, of ~~medical~~ cannabis flower and cannabis products grown, produced, or processed as provided for in said compacts; or (ii) for activities of Tribal medical cannabis businesses.

Subd. 4. **Civil and criminal immunities.** (a) Without limiting any immunity or exemption that may apply under federal law, the following acts, when performed by a Tribal medical cannabis business or an employee in the course of their employment for a Tribal medical cannabis business, pursuant to a compact entered into under this section, do not constitute a criminal or civil offense under state law:

(1) the cultivation of ~~medical~~ cannabis flower, and the extraction, processing, or manufacture of medical cannabis and artificially derived cannabinoid products, extracts, or concentrates;

(2) the possession, purchase, and receipt of ~~medical~~ cannabis seed, cannabis flower, and medical cannabis products that are properly packaged and labeled as authorized under a compact entered into pursuant to this section, and the sale, delivery, transport, or distribution of such products to a licensed cannabis business; and

(3) the delivery, distribution, and sale of ~~medical~~ cannabis seed, cannabis flower, and medical cannabis products as authorized under a compact entered into pursuant to this section and that takes place on, or originates from, the premises of a Tribal medical cannabis business on Tribally regulated land, to any person eligible to participate in a medical cannabis program.

(b) The following acts, when performed by a patron of a Tribal medical cannabis business do not constitute a criminal or civil offense under state law: the purchase, possession, or receipt of ~~medical~~ cannabis seed, cannabis flower, and medical cannabis products as authorized under a compact entered into pursuant to this section.

(c) Without limiting any immunity or exemption that may apply under federal law, actions by a Tribal medical cannabis business, a Tribal member, employee, or agent of a Minnesota Tribal government or Tribal medical cannabis business on Tribally regulated land pursuant to Tribal laws governing cannabis, or a compact entered into under this section, do not constitute a criminal or civil offense under state law.

(d) The following acts, when performed by a state-licensed medical cannabis business, or an employee of such business, and which would be permitted under the terms of the applicable medical cannabis business license if undertaken with another state-licensed

medical cannabis business, are permitted under the state license conditions when undertaken with a Tribal medical cannabis business and do not constitute a criminal or civil offense under state law: the possession, purchase, wholesale and retail sale, delivery, transport, distribution, and receipt of ~~medical~~ cannabis; seed, cannabis flower, and medical cannabis products that are properly packaged and labeled as authorized under a compact entered into pursuant to this section.

(e) Without limiting any immunity or exemption that may apply under federal law, the following acts, when performed by a Minnesota Tribal government, a Tribal medical cannabis business licensed by such Tribal government, or an employee of such Tribal government or Tribal medical cannabis business, regardless of whether the Minnesota Tribal government issuing such license has compacted with the state under this section, do not constitute a criminal or civil offense under state law: purchase, sale, receipt, or delivery (including delivery that involves transit through the state, outside a reservation), of ~~medical~~ cannabis flower; cannabis seed; and medical cannabis products from or to another Minnesota Tribal government or cannabis business licensed by such government.

(f) Notwithstanding any other provision of law, a state-licensed cannabis testing facility may provide cannabis testing services to a Tribal medical cannabis business, and the possession or transport of cannabis flower or cannabis products for such purpose by a Tribal cannabis business shall not constitute a criminal or civil offense under state law.

Subd. 5. **Publication.** The governor shall post any compact entered into under this section on a publicly accessible website.

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

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.

Sec. 3. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** For the purposes of this section, the following terms have the meanings given.

(a) "Artificially derived cannabinoid" means a cannabinoid extracted from a hemp plant or hemp plant parts with a chemical makeup that is changed after extraction to create a different cannabinoid or other chemical compound by applying a catalyst other than heat or light. Artificially derived cannabinoid includes but is not limited to any tetrahydrocannabinol created from cannabidiol.

(b) "Batch" means a specific quantity of a specific product containing cannabinoids derived from hemp, including an edible cannabinoid product, that is manufactured at the same time and using the same methods, equipment, and ingredients that is uniform and intended to meet specifications for identity, strength, purity, and composition, and that is manufactured, packaged, and labeled according to a single batch production record executed and documented.

(c) "Certified hemp" means hemp plants that have been tested and found to meet the requirements of chapter 18K and the rules adopted thereunder.

~~(d) "Commissioner" means the commissioner of health.~~

~~(e)~~ (d) "Distributor" means a person who sells, arranges a sale, or delivers a product containing cannabinoids derived from hemp, including an edible cannabinoid product, that the person did not manufacture to a retail establishment for sale to consumers. Distributor does not include a common carrier used only to complete delivery to a retailer.

~~(f)~~ (e) "Edible cannabinoid product" means any product that is intended to be eaten or consumed as a beverage by humans, contains a cannabinoid in combination with food ingredients, and is not a drug.

~~(g)~~ (f) "Hemp" has the meaning given to "industrial hemp" in section 18K.02, subdivision 3.

~~(h)~~ (g) "Label" has the meaning given in section 151.01, subdivision 18.

~~(i)~~ (h) "Labeling" means all labels and other written, printed, or graphic matter that are:

(1) affixed to the immediate container in which a product regulated under this section is sold;

(2) provided, in any manner, with the immediate container, including but not limited to outer containers, wrappers, package inserts, brochures, or pamphlets; or

(3) provided on that portion of a manufacturer's website that is linked by a scannable barcode or matrix barcode.

~~(j)~~ (i) "Matrix barcode" means a code that stores data in a two-dimensional array of geometrically shaped dark and light cells capable of being read by the camera on a smartphone or other mobile device.

~~(k)~~ (j) "Nonintoxicating cannabinoid" means substances extracted from certified hemp plants that do not produce intoxicating effects when consumed by any route of administration.

(k) "Office" means the Office of Cannabis Management.

(l) "Synthetic cannabinoid" means a substance with a similar chemical structure and pharmacological activity to a cannabinoid, but which is not extracted or derived from hemp plants, or hemp plant parts and is instead created or produced by chemical or biochemical synthesis.

(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).

Sec. 4. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 2, is amended to read:

Subd. 2. **Scope.** (a) This section applies to the sale of any product that contains cannabinoids extracted from hemp and that is an edible cannabinoid product or is intended for human or animal consumption by any route of administration.

(b) This section does not apply to any product dispensed by a registered medical cannabis manufacturer pursuant to sections 152.22 to 152.37.

(c) ~~The commissioner~~ the office must have no authority over food products, as defined in section 34A.01, subdivision 4, that do not contain cannabinoids extracted or derived from hemp.

9.1 Sec. 5. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 4, is amended
9.2 to read:

9.3 Subd. 4. **Testing requirements.** (a) A manufacturer of a product regulated under this
9.4 section must submit representative samples of each batch of the product to an independent,
9.5 accredited laboratory in order to certify that the product complies with the standards ~~adopted~~
9.6 ~~by the board on or before July 1, 2023, or the standards adopted by the commissioner~~ office.
9.7 Testing must be consistent with generally accepted industry standards for herbal and botanical
9.8 substances, and, at a minimum, the testing must confirm that the product:

9.9 (1) contains the amount or percentage of cannabinoids that is stated on the label of the
9.10 product;

9.11 (2) does not contain more than trace amounts of any mold, residual solvents or other
9.12 catalysts, pesticides, fertilizers, or heavy metals; and

9.13 (3) does not contain more than 0.3 percent of any tetrahydrocannabinol.

9.14 (b) A manufacturer of a product regulated under this section must disclose all known
9.15 information regarding pesticides, fertilizers, solvents, or other foreign materials applied to
9.16 industrial hemp or added to industrial hemp during any production or processing stages of
9.17 any batch from which a representative sample has been sent for testing, including any
9.18 catalysts used to create artificially derived cannabinoids. The disclosure must be made to
9.19 the laboratory performing testing or sampling and, upon request, to the ~~commissioner~~ office.
9.20 The disclosure must include all information known to the ~~licensee~~ manufacturer regardless
9.21 of whether the application or addition was made intentionally or accidentally, or by the
9.22 manufacturer or any other person.

9.23 (c) Upon the request of the ~~commissioner~~ office, the manufacturer of the product must
9.24 provide the ~~commissioner~~ office with the results of the testing required in this section.

9.25 (d) The ~~commissioner~~ office may determine that any testing laboratory that does not
9.26 operate formal management systems under the International Organization for Standardization
9.27 is not an accredited laboratory and require that a representative sample of a batch of the
9.28 product be retested by a testing laboratory that meets this requirement.

9.29 (e) Testing of the hemp from which the nonintoxicating cannabinoid was derived, or
9.30 possession of a certificate of analysis for such hemp, does not meet the testing requirements
9.31 of this section.

10.1 Sec. 6. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 5a, is amended
10.2 to read:

10.3 Subd. 5a. **Additional requirements for edible cannabinoid products.** (a) In addition
10.4 to the testing and labeling requirements under subdivisions 4 and 5, an edible cannabinoid
10.5 must meet the requirements of this subdivision.

10.6 (b) An edible cannabinoid product must not:

10.7 (1) bear the likeness or contain cartoon-like characteristics of a real or fictional person,
10.8 animal, or fruit that appeals to children;

10.9 (2) be modeled after a brand of products primarily consumed by or marketed to children;

10.10 (3) be made by applying an extracted or concentrated hemp-derived cannabinoid to a
10.11 commercially available candy or snack food item;

10.12 (4) be substantively similar to a meat food product; poultry food product as defined in
10.13 section 31A.02, subdivision 10; or a dairy product as defined in section 32D.01, subdivision
10.14 7;

10.15 (5) contain an ingredient, other than a hemp-derived cannabinoid, that is not approved
10.16 by the United States Food and Drug Administration for use in food;

10.17 (6) be packaged in a way that resembles the trademarked, characteristic, or
10.18 product-specialized packaging of any commercially available food product; or

10.19 (7) be packaged in a container that includes a statement, artwork, or design that could
10.20 reasonably mislead any person to believe that the package contains anything other than an
10.21 edible cannabinoid product.

10.22 (c) An edible cannabinoid product must be prepackaged in packaging or a container that
10.23 is child-resistant, tamper-evident, and opaque or placed in packaging or a container that is
10.24 child-resistant, tamper-evident, and opaque at the final point of sale to a customer. The
10.25 requirement that packaging be child-resistant does not apply to an edible cannabinoid product
10.26 that is intended to be consumed as a beverage.

10.27 (d) If an edible cannabinoid product, other than a product that is intended to be consumed
10.28 as a beverage, is intended for more than a single use or contains multiple servings, each
10.29 serving must be indicated by scoring, wrapping, or other indicators designating the individual
10.30 serving size that appear on the edible cannabinoid product.

10.31 (e) A label containing at least the following information must be affixed to the packaging
10.32 or container of all edible cannabinoid products sold to consumers:

11.1 (1) the serving size;

11.2 (2) the cannabinoid profile per serving and in total;

11.3 (3) a list of ingredients, including identification of any major food allergens declared
11.4 by name; and

11.5 (4) the following statement: "Keep this product out of reach of children."

11.6 (f) An edible cannabinoid product must not contain more than five milligrams of any
11.7 tetrahydrocannabinol in a single serving. An edible cannabinoid product, other than a product
11.8 that is intended to be consumed as a beverage, may not contain more than a total of 50
11.9 milligrams of any tetrahydrocannabinol per package. An edible cannabinoid product that
11.10 is intended to be consumed as a beverage may not contain more than two servings per
11.11 container.

11.12 (g) An edible cannabinoid product may contain delta-8 tetrahydrocannabinol or delta-9
11.13 tetrahydrocannabinol that is extracted from hemp plants or hemp plant parts or is an
11.14 artificially derived cannabinoid. Edible cannabinoid products are prohibited from containing
11.15 any other artificially derived cannabinoid, including but not limited to THC-P, THC-O, and
11.16 HHC, unless the ~~commissioner~~ office authorizes use of the artificially derived cannabinoid
11.17 in edible cannabinoid products. Edible cannabinoid products are prohibited from containing
11.18 synthetic cannabinoids.

11.19 (h) Every person selling edible cannabinoid products to consumers, other than products
11.20 that are intended to be consumed as a beverage, must ensure that all edible cannabinoid
11.21 products are displayed behind a checkout counter where the public is not permitted or in a
11.22 locked case.

11.23 Sec. 7. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 5b, is amended
11.24 to read:

11.25 Subd. 5b. **Registration; prohibitions.** ~~(a) On or before October 1, 2023, every person~~
11.26 ~~selling edible cannabinoid products to consumers must register with the commissioner in~~
11.27 ~~a form and manner established by the commissioner. After October 1, 2023, the sale of~~
11.28 ~~edible cannabinoid products by a person that is not registered is prohibited.~~

11.29 (a) Every person selling an edible cannabinoid product to a consumer must be registered
11.30 with the office. All existing registrations with the Department of Health, Office of Medical
11.31 Cannabis, as of June 30, 2024, will automatically transfer to the office on July 1, 2024. All
11.32 other persons required to register must register in a form and manner established by the

12.1 office. The sale of edible cannabinoid products by a person who is not registered with the
12.2 office is prohibited.

12.3 (b) The registration form must contain an attestation of compliance and each registrant
12.4 must affirm that it is operating and will continue to operate in compliance with the
12.5 requirements of this section and all other applicable state and local laws and ordinances.

12.6 (c) The ~~commissioner shall~~ office must not charge a fee for registration under this
12.7 subdivision.

12.8 Sec. 8. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 6, is amended
12.9 to read:

12.10 Subd. 6. **Noncompliant products; enforcement.** (a) A product regulated under this
12.11 section, including an edible cannabinoid product, shall be considered a noncompliant product
12.12 if the product is offered for sale in this state or if the product is manufactured, imported,
12.13 distributed, or stored with the intent to be offered for sale in this state in violation of any
12.14 provision of this section, including but not limited to if:

12.15 (1) it consists, in whole or in part, of any filthy, putrid, or decomposed substance;

12.16 (2) it has been produced, prepared, packed, or held under unsanitary conditions where
12.17 it may have been rendered injurious to health, or where it may have been contaminated with
12.18 filth;

12.19 (3) its container is composed, in whole or in part, of any poisonous or deleterious
12.20 substance that may render the contents injurious to health;

12.21 (4) it contains any food additives, color additives, or excipients that have been found by
12.22 the FDA to be unsafe for human or animal consumption;

12.23 (5) it contains an amount or percentage of nonintoxicating cannabinoids that is different
12.24 than the amount or percentage stated on the label;

12.25 (6) it contains more than 0.3 percent of any tetrahydrocannabinol or, if the product is
12.26 an edible cannabinoid product, an amount of tetrahydrocannabinol that exceeds the limits
12.27 established in subdivision 5a, paragraph (f); or

12.28 (7) it contains more than trace amounts of mold, residual solvents, pesticides, fertilizers,
12.29 or heavy metals.

12.30 (b) A product regulated under this section shall be considered a noncompliant product
12.31 if the product's labeling is false or misleading in any manner or in violation of the
12.32 requirements of this section.

(c) The ~~commissioner~~ office may assume that any product regulated under this section that is present in the state, other than a product lawfully possessed for personal use, has been manufactured, imported, distributed, or stored with the intent to be offered for sale in this state if a product of the same type and brand was sold in the state on or after July 1, 2023, or if the product is in the possession of a person who has sold any product in violation of this section.

(d) The ~~commissioner~~ office may enforce this section, including enforcement against a manufacturer or distributor of a product regulated under this section, under ~~sections 144.989 to 144.993~~ section 342.19.

~~(e) The commissioner may enter into an interagency agreement with the office of Cannabis Management and~~ may enter into an interagency agreement with the commissioner of agriculture to perform inspections and take other enforcement actions on behalf of the ~~commissioner office.~~

Sec. 9. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 7, is amended to read:

Subd. 7. Violations; criminal penalties. ~~(a) Notwithstanding section 144.99, subdivision 11,~~ A person who does any of the following regarding a product regulated under this section is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than 364 days or to payment of a fine of not more than \$3,000, or both:

(1) knowingly alters or otherwise falsifies testing results;

(2) intentionally alters or falsifies any information required to be included on the label of an edible cannabinoid product; or

(3) intentionally makes a false material statement to the ~~commissioner~~ office.

~~(b) Notwithstanding section 144.99, subdivision 11,~~ A person who does any of the following on the premises of a registered retailer or another business that sells retail goods to customers is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than 364 days or to payment of a fine of not more than \$3,000, or both:

(1) sells an edible cannabinoid product knowing that the product does not comply with the limits on the amount or types of cannabinoids that a product may contain;

(2) sells an edible cannabinoid product knowing that the product does not comply with the applicable testing, packaging, or labeling requirements; or

(3) sells an edible cannabinoid product to a person under the age of 21, except that it is an affirmative defense to a charge under this clause if the defendant proves by a preponderance of the evidence that the defendant reasonably and in good faith relied on proof of age as described in subdivision 5c.

Sec. 10. Minnesota Statutes 2023 Supplement, section 256B.0625, subdivision 13d, is amended to read:

Subd. 13d. **Drug formulary.** (a) The commissioner shall establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the Administrative Procedure Act, but the Formulary Committee shall review and comment on the formulary contents.

(b) The formulary shall not include:

(1) drugs, active pharmaceutical ingredients, or products for which there is no federal funding;

(2) over-the-counter drugs, except as provided in subdivision 13;

(3) drugs or active pharmaceutical ingredients when used for the treatment of impotence or erectile dysfunction;

(4) drugs or active pharmaceutical ingredients for which medical value has not been established;

(5) drugs from manufacturers who have not signed a rebate agreement with the Department of Health and Human Services pursuant to section 1927 of title XIX of the Social Security Act; and

(6) ~~medical~~ cannabis flower as defined in section 342.01, subdivision ~~54~~ 16, ~~or medical~~ cannabinoid products as defined in section 342.01, subdivision ~~52~~ 12, ~~or cannabis products as defined in section 342.01, subdivision 20.~~

(c) If a single-source drug used by at least two percent of the fee-for-service medical assistance recipients is removed from the formulary due to the failure of the manufacturer to sign a rebate agreement with the Department of Health and Human Services, the commissioner shall notify prescribing practitioners within 30 days of receiving notification from the Centers for Medicare and Medicaid Services (CMS) that a rebate agreement was not signed.

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

15.1 Sec. 11. Minnesota Statutes 2023 Supplement, section 290.0132, subdivision 29, is amended
15.2 to read:

15.3 Subd. 29. **Disallowed section 280E expenses; cannabis licensees.** The amount of
15.4 expenses of a ~~medical cannabis business~~ license holder, as defined under section 342.01,
15.5 subdivision ~~53~~ 48, related to the business of ~~medical cannabis under sections 342.47 to~~
15.6 ~~342.59, or a license holder under chapter 342, related to the business of nonmedical cannabis~~
15.7 ~~under that chapter,~~ cannabis or hemp and not allowed for federal income tax purposes under
15.8 section 280E of the Internal Revenue Code is a subtraction.

15.9 Sec. 12. Minnesota Statutes 2023 Supplement, section 290.0134, subdivision 19, is amended
15.10 to read:

15.11 Subd. 19. **Disallowed section 280E expenses; cannabis licensees.** The amount of
15.12 expenses of a ~~medical cannabis business~~ license holder, as defined under section 342.01,
15.13 subdivision ~~53~~ 48, related to the business of ~~medical cannabis under sections 342.47 to~~
15.14 ~~342.59, or a license holder under chapter 342, related to the business of nonmedical cannabis~~
15.15 ~~under that chapter,~~ cannabis or hemp and not allowed for federal income tax purposes under
15.16 section 280E of the Internal Revenue Code is a subtraction.

15.17 Sec. 13. Minnesota Statutes 2023 Supplement, section 295.81, subdivision 1, is amended
15.18 to read:

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

15.21 (b) "Bundled transaction" means the retail sale of two or more products when the products
15.22 are otherwise distinct and identifiable and the products are sold for one nonitemized price.

15.23 (c) "Cannabis flower" has the meaning given in section 342.01, subdivision 16.

15.24 (d) "Cannabis product" has the meaning given in section 342.01, subdivision 20.

15.25 (e) "Cannabis solution product" means any cartridge, bottle, or other package that contains
15.26 a taxable cannabis product in a solution that is consumed or meant to be consumed through
15.27 the use of a heating element, power source, electronic circuit, or other electronic, chemical,
15.28 or mechanical means that produces vapor or aerosol. A cannabis solution product includes
15.29 any electronic delivery system, electronic vaping device, electronic vape pen, electronic
15.30 oral device, electronic delivery device, or similar product or device, and any batteries,
15.31 heating elements, or other components, parts, or accessories sold with and meant to be used
15.32 in the consumption of a solution containing a taxable cannabis product.

- 16.1 (f) "Cannabis mezzobusiness" means a cannabis business licensed under section 342.29.
- 16.2 (g) "Cannabis microbusiness" means a cannabis business licensed under section 342.28.
- 16.3 (h) "Cannabis retailer" means a cannabis business licensed under section 342.32.
- 16.4 (i) "Commissioner" means the commissioner of revenue.
- 16.5 (j) "Gross receipts" means the total amount received in money or by barter or exchange
- 16.6 for all taxable cannabis product sales at retail as measured by the sales price. Gross receipts
- 16.7 include but are not limited to delivery charges and packaging costs. Gross receipts do not
- 16.8 include:
- 16.9 (1) any taxes imposed directly on the customer that are separately stated on the invoice,
- 16.10 bill of sale, or similar document given to the purchaser; and
- 16.11 (2) discounts, including cash, terms, or coupons, that are not reimbursed by a third party
- 16.12 and that are allowed by the seller and taken by a purchaser on a sale.
- 16.13 (k) "Hemp-derived consumer product" has the meaning given in section 342.01,
- 16.14 subdivision 37.
- 16.15 (l) "Lower-potency hemp edible" has the meaning given in section 342.01, subdivision
- 16.16 50.
- 16.17 (m) "Lower-potency hemp edible retailer" means a cannabis business licensed under
- 16.18 section 342.43, subdivision 1, clause (2).
- 16.19 ~~(n) "Medical cannabis flower" has the meaning given in section 342.01, subdivision 54.~~
- 16.20 ~~(o) "Medical cannabinoid product" has the meaning given in section 342.01, subdivision~~
- 16.21 ~~52.~~
- 16.22 ~~(p) "Medical cannabis paraphernalia" has the meaning given in section 342.01,~~
- 16.23 ~~subdivision 55.~~
- 16.24 ~~(q)~~ (n) "Retail sale" has the meaning given in section 297A.61, subdivision 4.
- 16.25 ~~(r)~~ (o) "Taxable cannabis product" means cannabis flower, cannabis product, cannabis
- 16.26 solution product, hemp-derived consumer product, lower-potency hemp edible, and any
- 16.27 substantially similar item, and does not include items exempt from tax under subdivision
- 16.28 4, paragraph (b).
- 16.29 ~~(s)~~ (p) "Taxable cannabis product retailer" means a retailer that sells any taxable cannabis
- 16.30 product, and includes a cannabis retailer, cannabis microbusiness, cannabis mezzobusiness,

17.1 medical cannabis combination business, and lower-potency hemp edible retailer. Taxable
17.2 cannabis product retailer includes but is not limited to a:

17.3 (1) retailer maintaining a place of business in this state;

17.4 (2) marketplace provider maintaining a place of business in this state, as defined in
17.5 section 297A.66, subdivision 1, paragraph (a);

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

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

17.9 Sec. 14. Minnesota Statutes 2023 Supplement, section 295.81, subdivision 4, is amended
17.10 to read:

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

17.15 (b) The tax imposed under this section does not apply to sales by a cannabis business
17.16 with a medical cannabis retail endorsement or by a medical cannabis combination business
17.17 of medical the following items purchased by or for a patient: cannabis flower, cannabinoid
17.18 products, or cannabis paraphernalia. Items sold under this paragraph must be sold to a person
17.19 enrolled in the registry program, including medical cannabis flower, medical cannabinoid
17.20 products, or medical cannabis paraphernalia.

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

17.23 (d) The tax imposed under this section does not apply to:

17.24 (1) sales made in Indian country as defined in United States Code, title 18, section 1151,
17.25 by a cannabis business licensed by a Minnesota Tribal government, as defined in section
17.26 3.9228, subdivision 1, paragraph (f); or

17.27 (2) use tax owed on taxable cannabis products purchased on Tribally regulated land as
17.28 defined in section 3.9228, subdivision 1, from a cannabis business licensed by a Minnesota
17.29 Tribal government as defined in section 3.9228, subdivision 1, paragraph (f).

18.1 Sec. 15. Minnesota Statutes 2023 Supplement, section 297A.67, subdivision 2, is amended
18.2 to read:

18.3 Subd. 2. **Food and food ingredients.** Except as otherwise provided in this subdivision,
18.4 food and food ingredients are exempt. For purposes of this subdivision, "food" and "food
18.5 ingredients" mean substances, whether in liquid, concentrated, solid, frozen, dried, or
18.6 dehydrated form, that are sold for ingestion or chewing by humans and are consumed for
18.7 their taste or nutritional value. Food and food ingredients exempt under this subdivision do
18.8 not include candy, soft drinks, dietary supplements, and prepared foods. Food and food
18.9 ingredients do not include alcoholic beverages, tobacco, taxable cannabis products, ~~medical~~
18.10 ~~cannabis flower, and medical cannabinoid products~~ and any item exempt from tax under
18.11 section 295.81, subdivision 4, paragraph (b). For purposes of this subdivision, "alcoholic
18.12 beverages" means beverages that are suitable for human consumption and contain one-half
18.13 of one percent or more of alcohol by volume. For purposes of this subdivision, "tobacco"
18.14 means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.
18.15 For purposes of this subdivision, "taxable cannabis product" has the meaning given in section
18.16 295.81, subdivision 1, paragraph (r), ~~"medical cannabis flower" has the meaning given in~~
18.17 ~~section 342.01, subdivision 54, and "medical cannabinoid product" has the meaning given~~
18.18 ~~in section 342.01, subdivision 52 (o).~~ For purposes of this subdivision, "dietary supplements"
18.19 means any product, other than tobacco, intended to supplement the diet that:

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

18.21 (i) a vitamin;

18.22 (ii) a mineral;

18.23 (iii) an herb or other botanical;

18.24 (iv) an amino acid;

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

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

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

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

19.4 Sec. 16. Minnesota Statutes 2023 Supplement, section 297A.70, subdivision 2, is amended
19.5 to read:

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

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

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

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

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

19.19 (5) public libraries, public library systems, multicounty, multitype library systems as
19.20 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,
19.21 the state library under section 480.09, and the Legislative Reference Library.

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

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

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

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

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

(5) goods or services purchased by a local government as inputs to a liquor store, taxable cannabis product retailer as defined under section 295.81, subdivision 1, paragraph (s), gas or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf course, marina, campground, cafe, or laundromat.

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

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

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

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

Sec. 17. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 3, is amended to read:

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

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

Sec. 18. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 4, is amended to read:

Subd. 4. **Adult-use cannabis product.** "Adult-use cannabis product" means a cannabis product that is approved for sale by the office or is substantially similar to a product approved

21.1 by the office. Adult-use cannabis product includes edible cannabis products but does not
21.2 include ~~medical cannabinoid products or~~ lower-potency hemp edibles.

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

21.4 Sec. 19. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 12, is amended
21.5 to read:

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

21.7 (1) a cannabis product;

21.8 (2) a hemp-derived consumer product; or

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

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

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

21.13 (ii) a registered designated caregiver; or

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

21.16 Sec. 20. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 14, is amended
21.17 to read:

21.18 Subd. 14. **Cannabis business.** "Cannabis business" means any of the following licensed
21.19 under this chapter:

21.20 (1) cannabis microbusiness;

21.21 (2) cannabis mezzobusiness;

21.22 (3) cannabis cultivator;

21.23 (4) cannabis manufacturer;

21.24 (5) cannabis retailer;

21.25 (6) cannabis wholesaler;

21.26 (7) cannabis transporter;

21.27 (8) cannabis testing facility;

21.28 (9) cannabis event organizer;

22.1 (10) cannabis delivery service; and

22.2 ~~(11) medical cannabis cultivator;~~

22.3 ~~(12) medical cannabis processor;~~

22.4 ~~(13) medical cannabis retailer; and~~

22.5 ~~(14)~~ (11) medical cannabis combination business.

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

22.7 Sec. 21. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 16, is amended
22.8 to read:

22.9 Subd. 16. **Cannabis flower.** "Cannabis flower" means the harvested flower, bud, leaves,
22.10 and or stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower ~~and~~
22.11 ~~medical cannabis flower.~~ Cannabis flower does not include cannabis seed, hemp plant parts,
22.12 or hemp-derived consumer products.

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

22.14 Sec. 22. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 17, is amended
22.15 to read:

22.16 Subd. 17. **Cannabis industry.** "Cannabis industry" means every item, product, person,
22.17 process, action, business, or other thing related to cannabis plants, cannabis flower, and
22.18 cannabis products ~~and subject to regulation under this chapter.~~

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

22.20 Sec. 23. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 19, is amended
22.21 to read:

22.22 Subd. 19. **Cannabis plant.** "Cannabis plant" means all parts of the plant of the genus
22.23 Cannabis that ~~is~~ are growing or ~~has~~ have not been harvested ~~and has a delta-9~~
22.24 ~~tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis, including~~
22.25 but not limited to a mother plant; a mature, flowering plant; an immature plant; or a seedling.
22.26 Cannabis plant does not include industrial hemp as defined in section 18K.02, subdivision
22.27 3.

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

23.1 Sec. 24. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 20, is amended
23.2 to read:

23.3 Subd. 20. **Cannabis product.** (a) "Cannabis product" means any of the following:

23.4 (1) cannabis concentrate;

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

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

23.8 (b) Cannabis product includes adult-use cannabis products, including but not limited to
23.9 edible cannabis products and ~~medical~~ cannabinoid products. Cannabis product does not
23.10 include cannabis flower, artificially derived cannabinoid, lower-potency hemp edibles,
23.11 hemp-derived consumer products, or hemp-derived topical products.

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

23.13 Sec. 25. Minnesota Statutes 2023 Supplement, section 342.01, is amended by adding a
23.14 subdivision to read:

23.15 Subd. 31a. **Endorsement.** "Endorsement" means an authorization from the Office of
23.16 Cannabis Management to conduct a specified operation activity.

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

23.18 Sec. 26. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 48, is amended
23.19 to read:

23.20 Subd. 48. **License holder.** "License holder" means a person, cooperative, or business
23.21 that holds any of the following licenses:

23.22 (1) cannabis microbusiness;

23.23 (2) cannabis mezzobusiness;

23.24 (3) cannabis cultivator;

23.25 (4) cannabis manufacturer;

23.26 (5) cannabis retailer;

23.27 (6) cannabis wholesaler;

23.28 (7) cannabis transporter;

23.29 (8) cannabis testing facility;

- 24.1 (9) cannabis event organizer;
- 24.2 (10) cannabis delivery service;
- 24.3 (11) lower-potency hemp edible manufacturer;
- 24.4 (12) lower-potency hemp edible retailer; or
- 24.5 ~~(13) medical cannabis cultivator;~~
- 24.6 ~~(14) medical cannabis processor;~~
- 24.7 ~~(15) medical cannabis retailer; or~~
- 24.8 ~~(16)~~ (13) medical cannabis combination business.

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

24.10 Sec. 27. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 64, is amended

24.11 to read:

24.12 Subd. 64. **Registered designated caregiver.** "Registered designated caregiver" means

24.13 an individual who:

24.14 (1) is at least 18 years old;

24.15 ~~(2) is not disqualified for a criminal offense according to rules adopted pursuant to~~

24.16 ~~section 342.15, subdivision 2;~~

24.17 ~~(3)~~ (2) has been approved by the ~~Division of Medical Cannabis~~ Office of Cannabis

24.18 Management to assist a patient with obtaining ~~medical~~ cannabis flower and ~~medical~~

24.19 cannabinoid products from a cannabis ~~retailer or medical cannabis retailer~~ business with a

24.20 medical cannabis retail endorsement and with administering ~~medical~~ cannabis flower and

24.21 ~~medical~~ cannabinoid products; and

24.22 ~~(4)~~ (3) is authorized by the ~~Division of Medical Cannabis~~ Office of Cannabis Management

24.23 to assist a patient with the use of ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products.

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

24.25 Sec. 28. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 65, is amended

24.26 to read:

24.27 Subd. 65. **Registry or registry program.** "Registry" or "registry program" means the

24.28 medical cannabis patient registry established under this chapter listing patients each person

24.29 authorized to;

25.1 (1) obtain ~~medical~~ cannabis flower, ~~medical~~ cannabinoid products, and ~~medical~~ cannabis
25.2 paraphernalia from ~~a cannabis retailers and medical cannabis retailers~~ business with a
25.3 medical cannabis retail endorsement; and

25.4 (2) administer ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products.

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

25.6 Sec. 29. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 66, is amended
25.7 to read:

25.8 Subd. 66. **Registry verification.** "Registry verification" means the verification provided
25.9 by the ~~Division of Medical Cannabis~~ Office of Cannabis Management that a patient is
25.10 enrolled in the registry program and that includes the patient's name, patient registry number,
25.11 and, if applicable, the name of the patient's registered designated caregiver or parent, legal
25.12 guardian, or spouse.

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

25.14 Sec. 30. Minnesota Statutes 2023 Supplement, section 342.02, subdivision 2, is amended
25.15 to read:

25.16 Subd. 2. **Powers and duties.** (a) The office has the following powers and duties:

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

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

25.21 (3) to prevent unauthorized access to cannabis flower, cannabis products, lower-potency
25.22 hemp edibles, and hemp-derived consumer products by individuals under 21 years of age;

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

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

25.28 (6) to issue and renew licenses;

25.29 (7) to require fingerprints from individuals determined to be subject to fingerprinting,
25.30 including the submission of fingerprints to the Federal Bureau of Investigation where

26.1 required by law and to obtain criminal conviction data for individuals seeking a license
26.2 from the office on the individual's behalf or as a cooperative member or director, manager,
26.3 or general partner of a business entity;

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

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

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

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

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

26.15 (13) to authorize research and studies on cannabis flower, cannabis products, artificially
26.16 derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, the
26.17 cannabis industry, and the hemp consumer industry;

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

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

26.21 (16) to determine, based on a review of medical and scientific literature, whether it is
26.22 appropriate to require additional health and safety warnings containing information that is
26.23 both supported by credible science and helpful to consumers in considering potential health
26.24 risks from the use of cannabis flower, cannabis products, lower-potency hemp edibles, and
26.25 hemp-derived consumer products, including but not limited to warnings regarding any risks
26.26 associated with use by pregnant or breastfeeding individuals, or by individuals planning to
26.27 become pregnant, and the effects that use has on brain development for individuals under
26.28 the age of 25;

26.29 (17) to establish limits on the potency of cannabis flower and cannabis products that can
26.30 be sold to customers by licensed cannabis retailers, licensed cannabis microbusinesses, and
26.31 licensed cannabis mezzobusinesses with an endorsement to sell cannabis flower and cannabis
26.32 products to customers;

(18) to establish rules authorizing an increase in plant canopy limits and outdoor cultivation limits to meet market demand and limiting cannabis manufacturing consistent with the goals identified in subdivision 1; ~~and~~

(19) to order a person or business that manufactures or produces cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products to recall a product if the office determines that the product represents a risk of causing a serious adverse incident; and

~~(19)~~ (20) to exercise other powers and authority and perform other duties required by law.

(b) In addition to the powers and duties in paragraph (a), the office has the following powers and duties until January 1, 2027:

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

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

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

Sec. 31. Minnesota Statutes 2023 Supplement, section 342.02, subdivision 3, is amended to read:

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

(b) The following protections shall apply to employees who are transferred from the Department of Health to the Office of Cannabis Management:

(1) the employment status and job classification of a transferred employee shall not be altered as a result of the transfer;

(2) transferred employees who were represented by an exclusive representative prior to the transfer shall continue to be represented by the same exclusive representative after the transfer;

(3) the applicable collective bargaining agreements with exclusive representatives shall continue in full force and effect for such transferred employees after the transfer;

(4) the state must meet and negotiate with the exclusive representatives of the transferred employees about any proposed changes affecting or relating to the transferred employees' terms and conditions of employment to the extent such changes are not addressed in the applicable collective bargaining agreement; and

(5) for an employee in a temporary unclassified position transferred to the Office of Cannabis Management, the total length of time that the employee has served in the appointment shall include all time served in the appointment and the transferring agency and the time served in the appointment at the Office of Cannabis Management. An employee in a temporary unclassified position who was hired by a transferring agency through an open competitive selection process in accordance with a policy enacted by Minnesota Management and Budget shall be considered to have been hired through such process after the transfer.

(c) This subdivision is effective July 1, 2024.

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

Sec. 32. Minnesota Statutes 2023 Supplement, section 342.02, subdivision 5, is amended to read:

Subd. 5. **Rulemaking.** (a) The office may adopt rules to implement any provisions in this chapter.

(b) Rules for which a notice of intent to adopt rules is published in the State Register before July 1, 2025, may be adopted using the expedited rulemaking process in section 14.389. The 18-month time limit imposed by section 14.125 does not apply to rules adopted under this paragraph.

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

29.1 Sec. 33. Minnesota Statutes 2023 Supplement, section 342.02, subdivision 6, is amended
29.2 to read:

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

29.6 ~~(b) The salary of the director must not exceed the salary limit established under section~~
29.7 ~~15A.0815, subdivision 3.~~

29.8 (b) The director may appoint and employ no more than two deputy directors.

29.9 (c) The director has administrative control of the office. The director has the powers
29.10 described in section 15.06, subdivision 6.

29.11 (d) The director may apply for and accept on behalf of the state any grants, bequests,
29.12 gifts, or contributions for the purpose of carrying out the duties and responsibilities of the
29.13 director.

29.14 (e) Pursuant to state law, the director may apply for and receive money made available
29.15 from federal sources for the purpose of carrying out the duties and responsibilities of the
29.16 director.

29.17 (f) The director may make contracts with and grants to Tribal Nations, public and private
29.18 agencies, for-profit and nonprofit organizations, and individuals using appropriated money.

29.19 Sec. 34. Minnesota Statutes 2023 Supplement, section 342.07, subdivision 3, is amended
29.20 to read:

29.21 Subd. 3. **Edible cannabinoid product handler endorsement.** (a) Any person seeking
29.22 to manufacture, process, sell, handle, or store an edible cannabis product or lower-potency
29.23 hemp edible, other than an edible cannabis product or lower-potency hemp edible that has
29.24 been placed in its final packaging, must first obtain an edible cannabinoid product handler
29.25 endorsement.

29.26 (b) In consultation with the commissioner of agriculture, the office shall establish an
29.27 edible cannabinoid product handler endorsement.

29.28 (c) The office must regulate edible cannabinoid product handlers ~~and assess penalties~~
29.29 ~~in the same in a manner provided for~~ consistent with Department of Agriculture regulation
29.30 of food handlers under chapters 28A, 31, and 34A and associated rules, with the following
29.31 exceptions:

30.1 (1) the office must issue an edible cannabinoid product handler endorsement, rather than
30.2 a license;

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

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

30.6 (4) the office must align the term and renewal period for edible cannabinoid product
30.7 handler endorsements with the term and renewal period of the license issued by the office;
30.8 and

30.9 (5) an edible cannabis product or lower-potency hemp edible must not be considered
30.10 adulterated solely because the product or edible contains tetrahydrocannabinol, cannabis
30.11 concentrate, hemp concentrate, artificially derived cannabinoids, or any other material
30.12 extracted or derived from a cannabis plant, cannabis flower, hemp plant, or hemp plant
30.13 parts.

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

30.18 Sec. 35. Minnesota Statutes 2023 Supplement, section 342.09, subdivision 1, is amended
30.19 to read:

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

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

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

30.24 (3) possess two pounds or less of adult-use cannabis flower in the individual's private
30.25 residence;

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

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

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

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

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

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

31.3 (7) use adult-use cannabis flower and adult-use cannabis products in the following
31.4 locations:

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

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

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

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

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

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

31.16 (3) use cannabis flower, cannabis products, or hemp-derived consumer products in a
31.17 manner that involves the inhalation of smoke, aerosol, or vapor at any location where
31.18 smoking is prohibited under section 144.414;

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

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

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

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

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

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

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

(d) The possession limits in paragraph (a), clauses (2) to (5), do not apply to a person enrolled in the medical cannabis patient registry program under section 342.52 if the person possesses cannabis flower or cannabinoid products that include patient-specific labeling according to sections 342.51, subdivision 2, and 342.63, subdivision 4.

~~(d)~~ (e) A proprietor of a family or group family day care program must disclose to parents or guardians of children cared for on the premises of the family or group family day care program, if the proprietor permits the smoking or use of cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the premises outside of its hours of operation. Disclosure must include posting on the premises a conspicuous written notice and orally informing parents or guardians. Cannabis flower or cannabis products must be inaccessible to children and stored away from food products.

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

Sec. 36. Minnesota Statutes 2023 Supplement, section 342.09, subdivision 3, is amended to read:

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

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

Sec. 37. Minnesota Statutes 2023 Supplement, section 342.10, is amended to read:

342.10 LICENSES; TYPES.

The office shall issue the following types of license:

(1) cannabis microbusiness;

- 33.1 (2) cannabis mezzobusiness;
- 33.2 (3) cannabis cultivator;
- 33.3 (4) cannabis manufacturer;
- 33.4 (5) cannabis retailer;
- 33.5 (6) cannabis wholesaler;
- 33.6 (7) cannabis transporter;
- 33.7 (8) cannabis testing facility;
- 33.8 (9) cannabis event organizer;
- 33.9 (10) cannabis delivery service;
- 33.10 (11) lower-potency hemp edible manufacturer;
- 33.11 (12) lower-potency hemp edible retailer; or
- 33.12 ~~(13) medical cannabis cultivator;~~
- 33.13 ~~(14) medical cannabis processor;~~
- 33.14 ~~(15) medical cannabis retailer; or~~
- 33.15 ~~(16)~~ (13) medical cannabis combination business.

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

33.17 Sec. 38. Minnesota Statutes 2023 Supplement, section 342.11, is amended to read:

33.18 **342.11 LICENSES; FEES.**

33.19 (a) The office shall require the payment of application fees, initial licensing fees, and
33.20 renewal licensing fees as provided in this section. The initial license fee shall include the
33.21 fee for initial issuance of the license and the first annual renewal. The renewal fee shall be
33.22 charged at the time of the second renewal and each subsequent annual renewal thereafter.
33.23 Nothing in this section prohibits a local unit of government from charging the retailer
33.24 registration fee established in section 342.22. Application fees, initial licensing fees, and
33.25 renewal licensing fees are nonrefundable.

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

33.27 (1) for a cannabis microbusiness:

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

- 34.1 (ii) an initial license fee of \$0; and
- 34.2 (iii) a renewal license fee of \$2,000;
- 34.3 (2) for a cannabis mezzobusiness:
- 34.4 (i) an application fee of \$5,000;
- 34.5 (ii) an initial license fee of \$5,000; and
- 34.6 (iii) a renewal license fee of \$10,000;
- 34.7 (3) for a cannabis cultivator:
- 34.8 (i) an application fee of \$10,000;
- 34.9 (ii) an initial license fee of \$20,000; and
- 34.10 (iii) a renewal license fee of \$30,000;
- 34.11 (4) for a cannabis manufacturer:
- 34.12 (i) an application fee of \$10,000;
- 34.13 (ii) an initial license fee of \$10,000; and
- 34.14 (iii) a renewal license fee of \$20,000;
- 34.15 (5) for a cannabis retailer:
- 34.16 (i) an application fee of \$2,500;
- 34.17 (ii) an initial license fee of \$2,500; and
- 34.18 (iii) a renewal license fee of \$5,000;
- 34.19 (6) for a cannabis wholesaler:
- 34.20 (i) an application fee of \$5,000;
- 34.21 (ii) an initial license fee of \$5,000; and
- 34.22 (iii) a renewal license fee of \$10,000;
- 34.23 (7) for a cannabis transporter:
- 34.24 (i) an application fee of \$250;
- 34.25 (ii) an initial license fee of \$500; and
- 34.26 (iii) a renewal license fee of \$1,000;
- 34.27 (8) for a cannabis testing facility:

- 35.1 (i) an application fee of \$5,000;
- 35.2 (ii) an initial license fee of \$5,000; and
- 35.3 (iii) a renewal license fee of \$10,000;
- 35.4 (9) for a cannabis delivery service:
- 35.5 (i) an application fee of \$250;
- 35.6 (ii) an initial license fee of \$500; and
- 35.7 (iii) a renewal license fee of \$1,000;
- 35.8 (10) for a cannabis event organizer:
- 35.9 (i) an application fee of \$750; and
- 35.10 (ii) an initial license fee of \$750;
- 35.11 (11) for a lower-potency hemp edible manufacturer:
- 35.12 (i) an application fee of \$250;
- 35.13 (ii) an initial license fee of \$1,000; and
- 35.14 (iii) a renewal license fee of \$1,000;
- 35.15 (12) for a lower-potency hemp edible retailer:
- 35.16 (i) an application fee of \$250 per retail location;
- 35.17 (ii) an initial license fee of \$250 per retail location; and
- 35.18 (iii) a renewal license fee of \$250 per retail location; and
- 35.19 ~~(13) for a medical cannabis cultivator:~~
- 35.20 ~~(i) an application fee of \$250;~~
- 35.21 ~~(ii) an initial license fee of \$0; and~~
- 35.22 ~~(iii) a renewal license fee of \$0;~~
- 35.23 ~~(14) for a medical cannabis processor:~~
- 35.24 ~~(i) an application fee of \$250;~~
- 35.25 ~~(ii) an initial license fee of \$0; and~~
- 35.26 ~~(iii) a renewal license fee of \$0;~~
- 35.27 ~~(15) for a medical cannabis retailer:~~

36.1 ~~(i) an application fee of \$250;~~

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

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

36.4 ~~(16)~~ (13) for a medical cannabis combination business:

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

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

36.7 (iii) a renewal license fee of \$70,000.

36.8 Sec. 39. Minnesota Statutes 2023 Supplement, section 342.12, is amended to read:

36.9 **342.12 LICENSES; TRANSFERS; ADJUSTMENTS.**

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

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

36.18 (2) the licensee dissolves; consolidates; reorganizes; undergoes bankruptcy, insolvency,
36.19 or receivership proceedings; merges with another legal organization; or assigns all or
36.20 substantially all of its assets for the benefit of creditors.

36.21 (b) ~~Transfers between~~ Notwithstanding paragraph (a), during the first three years from
36.22 the date that a social equity applicant holds a license, the social equity applicants applicant
36.23 may only transfer the license to another social equity applicant. Three years after a license
36.24 was initially issued, a social equity applicant may transfer the license to any entity. A license
36.25 transfer by a social equity applicant must be reviewed by the Division of Social Equity.

36.26 (c) Licenses must be renewed annually.

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

36.29 (e) The office by rule may permit the relocation of a licensed cannabis business; permit
36.30 the relocation of an approved operational location, including a grow or retail location; adopt
36.31 requirements for the submission of a license relocation application; establish standards for

the approval of a relocation application; and charge a fee not to exceed \$250 for reviewing and processing applications. Relocation of a licensed premises pursuant to this paragraph does not extend or otherwise modify the license term of the license subject to relocation.

Sec. 40. **[342.125] TEMPORARY LICENSES.**

Subdivision 1. **Temporary license.** (a) The office may establish a temporary license and application process for a limited number of licenses, but the office shall issue no more than the following number of temporary licenses per application period:

(1) cannabis microbusiness licenses, 100;

(2) cannabis mezzobusiness licenses, 11;

(3) cannabis cultivator licenses, 13;

(4) cannabis manufacturer licenses, six;

(5) cannabis retailer licenses, 50;

(6) cannabis wholesaler licenses, 20;

(7) cannabis transporter licenses, 20;

(8) cannabis testing facility licenses, 25;

(9) cannabis event organizer licenses, ten; and

(10) cannabis delivery service licenses, ten.

(b) The temporary license period begins on the day that the office issues a temporary license to the applicant and is effective for 18 months after the date that the temporary license was issued.

Subd. 2. **Eligibility.** (a) Only a social equity applicant as described in section 342.17 is eligible for a temporary license.

(b) An applicant for a temporary license must:

(1) complete an initial application according to section 342.14, subdivision 1, on a form approved by the office; and

(2) pay the application fee required by section 342.11, paragraph (b), to the office.

(c) As part of the application process, the office must verify the applicant's status as a social equity applicant.

(d) The office may not issue a temporary license in violation of section 342.18, subdivision 2.

(e) The office shall not require an applicant to possess or own any property on which or facility in which to operate a cannabis business at the time of the initial application.

Subd. 3. **Application process.** (a) The office must announce the commencement of a temporary license application period at least 14 days before the date that the office begins to accept applications for temporary licenses. The announcement must include:

(1) the types of licenses that are available during the temporary license application period;

(2) the number of licenses available by license type;

(3) the date on which the temporary license application period will begin; and

(4) the date on which the temporary license application period will end.

(b) The office must accept applications for temporary licenses for 30 calendar days during a temporary license application period.

(c) The office may deny an application for a temporary license that:

(1) is incomplete;

(2) contains a materially false statement about the applicant or omits material information about the applicant;

(3) fails to meet the minimum qualifications for the license in section 342.18, subdivision 3; or

(4) is not submitted by the deadline established by the office.

(d) The office may request additional information from any applicant if the office determines that the information is necessary to review or process the application. If the applicant does not provide the additional requested information within 14 calendar days, the office may deny the application.

Subd. 4. **Lottery.** (a) If the number of available temporary licenses is less than the number of applicants qualified for temporary licenses, the office must conduct a lottery. The lottery must be impartial, random, and in a format determined by the office.

(b) The office must include in the lottery any applicant that meets the requirements under subdivisions 2 and 3.

(c) The office may rescind an applicant's status as a selected lottery applicant if:

39.1 (1) there are grounds for revocation under section 342.21;

39.2 (2) the applicant is disqualified under section 342.15; or

39.3 (3) the applicant is determined to be in arrears on property, business, or personal taxes.

39.4 Subd. 5. **Authority and restrictions.** (a) The holder of a temporary license may take
39.5 the necessary steps to prepare for business operations, including:

39.6 (1) establishing legal control of the site of the cannabis business through lease, purchase,
39.7 or other means;

39.8 (2) gaining zoning or planning approval for the site of the cannabis business from a local
39.9 unit of government; or

39.10 (3) raising capital for the license holder's business operations.

39.11 (b) The holder of a temporary license shall not:

39.12 (1) engage in purchasing, possessing, cultivating, manufacturing, or selling cannabis or
39.13 cannabis products;

39.14 (2) grow, process, distribute, dispense, or otherwise handle cannabis;

39.15 (3) make any change or transfer of ownership or control that would require a new business
39.16 registration with the secretary of state; or

39.17 (4) make any transfer of ownership interest that causes the holder of the temporary
39.18 license to no longer qualify as a social equity applicant as defined in section 342.17.

39.19 Subd. 6. **Revocation and other penalties.** (a) The office may revoke a temporary license
39.20 if the holder of the temporary license or, if the license holder is a business entity, any
39.21 cooperative member or director, manager, or general partner of the business entity:

39.22 (1) fraudulently or deceptively obtained the temporary license;

39.23 (2) fails to reveal any material fact pertaining to the licensee's qualification for a license;

39.24 (3) fails to convert a temporary license into a license that is not temporary within 18
39.25 months of the date that the temporary license was issued;

39.26 (4) violates this chapter;

39.27 (5) is not registered or in good standing with the Office of the Secretary of State; or

39.28 (6) is in arrears on property, business, or personal taxes.

39.29 Subd. 7. **Conversion of temporary license.** (a) The office must convert a temporary
39.30 license into a license after the office:

40.1 (1) adopts initial rules pursuant to section 342.02, subdivision 5; and

40.2 (2) finds that the license holder or, if the license holder is a business entity, every
40.3 cooperative member or director, manager, or general partner of the business entity, has not
40.4 violated this chapter.

40.5 (b) The office must not convert a temporary license into a license that is not temporary
40.6 if the ownership of the temporary license holder's business has changed since being granted
40.7 a temporary license and the temporary license holder has not filed an updated ownership
40.8 disclosure with information consistent with the original application and section 342.14,
40.9 subdivision 1, paragraph (b).

40.10 (c) The office must not convert a temporary license into a license if the cannabis business
40.11 for which the license is held does not meet local zoning and land use laws.

40.12 (d) A license that is converted from a temporary license according to this subdivision
40.13 expires 18 months after the date of the conversion.

40.14 **Subd. 8. Applicants; right to a reconsideration.** (a) An applicant that is not issued a
40.15 temporary license or an applicant that the office has not entered into the lottery may request
40.16 a records review of the submitted application within seven calendar days of receiving
40.17 notification that the application does not meet the minimum qualifications for a license
40.18 under section 342.18, subdivision 3.

40.19 (b) Upon an applicant's request, the office must allow the applicant to examine the
40.20 applicant's records received by the office.

40.21 (c) If the office determines that an applicant is ineligible for a temporary license, the
40.22 office must inform the applicant of any reasons that form the basis of the office's
40.23 determination.

40.24 (d) The following applicants may request reconsideration by the director:

40.25 (1) an applicant selected in a lottery whose license is later revoked by the office; or

40.26 (2) an applicant who previously held a temporary license until the temporary license
40.27 was revoked by the office.

40.28 (e) An applicant who does not meet the minimum qualifications for a license under
40.29 section 342.18, subdivision 3, and is not selected in the lottery may not request
40.30 reconsideration.

41.1 Subd. 9. **Multiple lotteries; application retention.** (a) Upon receiving notification that
41.2 an applicant was not selected in the lottery, the applicant may request that the office retain
41.3 the applicant's application for subsequent lotteries.

41.4 (b) The office must retain any application requested for retention under paragraph (a)
41.5 for one year after the date of the request.

41.6 (c) The office may contact an applicant with a retained application for any additional
41.7 information required for a subsequent lottery.

41.8 (d) Any application retained by the office that meets the specifications and requirements
41.9 of a subsequent lottery within the one-year retention period, may be entered into the lottery
41.10 if the applicant:

41.11 (1) pays the relevant application fee;

41.12 (2) amends the application upon the request of the office; and

41.13 (3) provides the office with any additional information requested by the office.

41.14 (e) The office must not enter a retained application into a subsequent lottery if the
41.15 applicant or, if the applicant is a business entity, any cooperative member or director,
41.16 manager, or general partner of the business entity has violated this chapter.

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

41.18 Sec. 41. Minnesota Statutes 2023 Supplement, section 342.13, is amended to read:

41.19 **342.13 LOCAL CONTROL.**

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

41.23 (b) Except as provided in section 342.22, a local unit of government may not prohibit
41.24 the establishment or operation of a cannabis business licensed under this chapter.

41.25 (c) A local unit of government may adopt reasonable restrictions on the time, place, and
41.26 manner of the operation of a cannabis business provided that such restrictions do not prohibit
41.27 the establishment or operation of cannabis businesses. A local unit of government may
41.28 prohibit the operation of a cannabis business within 1,000 feet of a school, or 500 feet of a
41.29 day care, residential treatment facility, or an attraction within a public park that is regularly
41.30 used by minors, including a playground or athletic field.

41.31 (d) The office shall work with local units of government to:

(1) develop model ordinances for reasonable restrictions on the time, place, and manner of the operation of a cannabis business;

(2) develop standardized forms and procedures for the issuance of a retail registration pursuant to section 342.22; and

(3) develop model policies and procedures for the performance of compliance checks required under section 342.22.

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

~~(f) Within 30 days of receiving a copy of an application from the office, a local unit of government shall certify on a form provided by the office whether a proposed cannabis business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code. The office may not issue a license an endorsement to a cannabis business if a the cannabis business does not meet local zoning and land use laws.~~

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

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

a local ordinance. If a local unit of government notifies the office that a cannabis business other than a cannabis retailer, cannabis microbusiness with a retail operations endorsement, cannabis mezzobusiness, lower-potency hemp edible retailer, ~~medical cannabis retailer~~, or medical cannabis combination business poses an immediate threat to the health or safety of the public, the office must respond within one business day and may take any action described in section 342.19 or 342.21.

~~(h)~~ (h) A local government unit that issues cannabis retailer registration under section 342.22 may, by ordinance, limit the number of licensed cannabis retailers, cannabis mezzobusinesses with a retail operations endorsement, and cannabis microbusinesses with a retail operations endorsement to no fewer than one registration for every 12,500 residents.

~~(i)~~ (i) If a county has one active registration for every 12,500 residents, a city or town within the county is not obligated to register a cannabis business.

~~(j)~~ (j) Nothing in this section shall prohibit a local government unit from allowing licensed cannabis retailers in excess of the minimums set in paragraph ~~(i)~~ (h).

~~(k)~~ (k) Notwithstanding the foregoing provisions, the state shall not issue a license to any cannabis business to operate in Indian country, as defined in United States Code, title 18, section 1151, of a Minnesota Tribal government without the consent of the Tribal government.

Sec. 42. Minnesota Statutes 2023 Supplement, section 342.14, is amended to read:

342.14 CANNABIS LICENSE APPLICATION AND RENEWAL.

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

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

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

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

(4) the address and legal property description of the business, if applicable, except an applicant is not required to secure a physical premises for the business at the time of application;

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

(6) a copy of the security plan;

(7) proof of trade name registration;

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

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

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

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

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

(b) An applicant must file and update as necessary a disclosure of ownership and control. The office by rule shall establish the contents and form of the disclosure. Except as provided in paragraph (f), the disclosure shall, at a minimum, include the following:

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

(2) a statement from the applicant and, if the applicant is a business, from every officer, director, manager, and general partner of the business, indicating whether that person has previously held, or currently holds, an ownership interest in a cannabis business in Minnesota, any other state or territory of the United States, or any other country;

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

- 45.1 (4) copies of any partnership agreement, operating agreement, or shareholder agreement;
- 45.2 (5) copies of any promissory notes, security instruments, or other similar agreements;
- 45.3 (6) an explanation detailing the funding sources used to finance the business;
- 45.4 (7) a list of operating and investment accounts for the business, including any applicable
- 45.5 financial institution and account number; and
- 45.6 (8) a list of each outstanding loan and financial obligation obtained for use in the business,
- 45.7 including the loan amount, loan terms, and name and address of the creditor.
- 45.8 (c) An application may include:
- 45.9 (1) proof that the applicant is a social equity applicant;
- 45.10 (2) a description of the training and education that will be provided to any employee;
- 45.11 or
- 45.12 (3) a copy of business policies governing operations to ensure compliance with this
- 45.13 chapter.
- 45.14 (d) Commitments made by an applicant in its application, including but not limited to
- 45.15 the maintenance of a labor peace agreement, shall be an ongoing material condition of
- 45.16 maintaining and renewing the license.
- 45.17 (e) An application on behalf of a corporation or association shall be signed by at least
- 45.18 two officers or managing agents of that entity.
- 45.19 (f) The office may, by rule, establish exceptions to the disclosures required under
- 45.20 paragraph (b) for members of a cooperative who hold less than a five percent ownership
- 45.21 interest in the cooperative.
- 45.22 Subd. 2. **Application; process.** (a) An applicant must submit all required information
- 45.23 to the office on the forms and in the manner prescribed by the office.
- 45.24 (b) If the office receives an application that fails to provide the required information,
- 45.25 the office shall issue a deficiency notice to the applicant. The applicant shall have ten
- 45.26 business days from the date of the deficiency notice to submit the required information.
- 45.27 (c) Failure by an applicant to submit all required information will result in the application
- 45.28 being rejected.
- 45.29 ~~(d) Upon receipt of a completed application and fee, the office shall forward a copy of~~
- 45.30 ~~the application to the local unit of government in which the business operates or intends to~~
- 45.31 ~~operate with a form for certification as to whether a proposed cannabis business complies~~

~~with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.~~

~~(e)~~ (d) Within 90 days of receiving a completed application and the results of any required criminal history check, the office shall issue the appropriate license or send the applicant a notice of rejection setting forth specific reasons that the office did not approve the application.

Subd. 3. **License revocation.** The office may revoke a cannabis business license if the licensee has not made good faith efforts to obtain an endorsement within 18 months of the date that the license was issued. The office may give a licensee a onetime extension to obtain an endorsement if the licensee demonstrates that the licensee made good faith efforts to obtain an endorsement within 18 months of the date that the license was issued.

Sec. 43. Minnesota Statutes 2023 Supplement, section 342.15, subdivision 1, is amended to read:

Subdivision 1. **Criminal history check.** (a) Upon request by the office, every license applicant, license holder, or, in the case of a business entity, every individual responsible for conducting the affairs of the entity, including but not limited to every owner and every cooperative member or director, manager, and general partner of the business entity, for a cannabis business license, ~~or in the case of a business entity, every cooperative member or director, manager, and general partner of the business entity, and prospective cannabis worker~~ must submit a completed criminal history records check consent form, a full set of classifiable fingerprints, and the required fees to the office. Upon receipt of this information, the office must submit the completed criminal history records check consent form, full set of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension.

(b) After receiving this information, the bureau must conduct a ~~Minnesota state~~ criminal history records check of ~~the license applicant or prospective cannabis worker~~ an individual identified in paragraph (a). The bureau may exchange a ~~license applicant's or prospective cannabis worker's~~ an individual's fingerprints with the Federal Bureau of Investigation to obtain the ~~license applicant's or prospective cannabis worker's~~ national criminal history record information of the individual. The bureau must return the results of the ~~Minnesota state~~ and federal criminal history records checks to the office to determine if the ~~license applicant or prospective cannabis worker~~ individual is disqualified under rules adopted pursuant to this section.

~~(b)~~ (c) The office may, by rule, establish exceptions to the requirement under ~~paragraph~~ paragraphs (a) and (b) for members of a cooperative who hold less than a five percent ownership interest in the cooperative.

Sec. 44. Minnesota Statutes 2023 Supplement, section 342.15, subdivision 2, is amended to read:

Subd. 2. **Criminal offenses; disqualifications.** The office may by rule determine whether any felony convictions ~~shall, including but not limited to convictions for noncannabis controlled substance crimes in the first or second degree, human trafficking, labor trafficking, fraud, or financial crimes,~~ disqualify a person an individual from holding or receiving a cannabis business license issued under this chapter or working for a cannabis business, and the length of any such disqualification. In adopting rules pursuant to this subdivision, the office shall not disqualify ~~a person~~ an individual for a violation of section 152.025.

Sec. 45. Minnesota Statutes 2023 Supplement, section 342.15, is amended by adding a subdivision to read:

Subd. 5. **Civil and regulatory offenses; disqualifications.** The office may, by rule, determine whether any civil or regulatory violations, as determined by another state agency, local unit of government, or any other jurisdiction, disqualify an individual from holding or receiving a cannabis business license issued under this chapter or disqualify an individual from working for a cannabis business, and the length of the disqualification.

Sec. 46. **[342.151] EMPLOYEES OF LICENSE HOLDERS.**

Subdivision 1. **Criminal history check.** A license holder may employ or contract with as many unlicensed individuals as may be necessary, provided that the license holder is at all times accountable for the good conduct of every individual employed by or contracted with the license holder. Before hiring an individual as a cannabis worker, the license holder must submit to the Bureau of Criminal Apprehension the individual's full set of fingerprints and written consent for the bureau to conduct a state and national criminal history check. The bureau may exchange an individual's fingerprints with the Federal Bureau of Investigation. The Bureau of Criminal Apprehension must determine whether the individual is qualified to be employed as a cannabis worker and must notify the license holder of the bureau's determination. The license holder must not employ an individual who is disqualified from being employed as a cannabis worker.

Subd. 2. **Disqualification.** (a) A license holder must not employ an individual as a cannabis worker if the individual has been convicted of any of the following crimes that would constitute a felony:

(1) human trafficking;

48.1 (2) noncannabis controlled substance crimes in the first or second degree;

48.2 (3) labor trafficking;

48.3 (4) fraud;

48.4 (5) embezzlement;

48.5 (6) extortion;

48.6 (7) money laundering; or

48.7 (8) insider trading;

48.8 if committed in this state or any other jurisdiction for which a full pardon or similar relief
48.9 has not been granted.

48.10 (b) A license holder must not employ an individual as a cannabis worker if the individual
48.11 made any false statement in an application for employment.

48.12 Sec. 47. Minnesota Statutes 2023 Supplement, section 342.17, is amended to read:

48.13 **342.17 SOCIAL EQUITY APPLICANTS.**

48.14 (a) An applicant qualifies as a social equity applicant if the applicant:

48.15 (1) was convicted of an offense involving the possession or sale of cannabis or marijuana
48.16 prior to May 1, 2023;

48.17 (2) had a parent, guardian, child, spouse, or dependent who was convicted of an offense
48.18 involving the possession or sale of cannabis or marijuana prior to May 1, 2023;

48.19 (3) was a dependent of an individual who was convicted of an offense involving the
48.20 possession or sale of cannabis or marijuana prior to May 1, 2023;

48.21 (4) is a military veteran, including status as a service-disabled veteran, current or former
48.22 member of the national guard; or;

48.23 (5) any military veteran or current or former member of the national guard who lost
48.24 honorable status due to an offense involving the possession or sale of cannabis or marijuana;

48.25 ~~(5)~~ (6) has been a resident for the last five years of one or more subareas, such as census
48.26 tracts or neighborhoods, that experienced a disproportionately large amount of cannabis
48.27 enforcement as determined by the study conducted by the office pursuant to section 342.04,
48.28 paragraph (b), and reported in the preliminary report, final report, or both;

48.29 ~~(6) is an emerging farmer as defined in section 17.055, subdivision 1; or~~

(7) is currently a farmer or an aspiring cannabis farmer who faces barriers to education or employment; or

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

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

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

(b) The qualifications described in paragraph (a) apply to each individual applicant or, in the case of a business entity, every cooperative member or director, manager, and general partner apply to at least 65 percent of the controlling ownership of the business entity.

Sec. 48. **[342.175] SOCIAL EQUITY LICENSE CLASSIFICATION.**

Subdivision 1. Social equity license classification. (a) The office must make a social equity classification available to a social equity applicant under section 342.17.

(b) The office must classify any type of license under section 342.10 as a social equity license if the license is held by a social equity applicant.

Subd. 2. Social equity applicants; temporary licenses. After accepting and reviewing an application for a license from a social equity applicant, the office may issue a temporary license according to section 342.125 to the social equity applicant.

Sec. 49. Minnesota Statutes 2023 Supplement, section 342.18, subdivision 3, is amended to read:

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

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

~~(2) status as a veteran or retired national guard applicant who does not meet the definition of social equity applicant;~~

~~(3)~~ (1) security and record keeping;

50.1 ~~(4)~~ (2) employee training plan;

50.2 ~~(5)~~ (3) business plan and financial situation;

50.3 ~~(6)~~ (4) labor and employment practices;

50.4 ~~(7)~~ (5) knowledge and experience; and

50.5 ~~(8)~~ (6) environmental plan.

50.6 ~~(b) The office may award additional points to an application if the license holder would~~
50.7 ~~expand service to an underrepresented market, including but not limited to participation in~~
50.8 ~~the medical cannabis program.~~

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

50.14 ~~(d)~~ (b) The office shall by rule establish policies and guidelines, which the office must
50.15 ~~be made~~ make available to the public, regarding the ~~number of points available~~ minimum
50.16 qualifications in each category and the ~~basis for awarding those points.~~ Status as a social
50.17 equity applicant must account for at least 20 percent of the total available points. In
50.18 determining the number of points to award to a cooperative or business applying as a social
50.19 equity applicant, the office shall consider the number or ownership percentage of cooperative
50.20 members, officers, directors, managers, and general partners who qualify as social equity
50.21 applicants criteria that the office uses to determine whether an applicant meets the minimum
50.22 qualifications in each category.

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

50.28 Sec. 50. Minnesota Statutes 2023 Supplement, section 342.18, is amended by adding a
50.29 subdivision to read:

50.30 Subd. 4. Maximum number of licenses. (a) Through as many licensing periods as the
50.31 office deems necessary, the office shall issue no more than the maximum number of licenses
50.32 in each license category listed in paragraphs (e) and (f) to applicants that meet the minimum

51.1 qualifications in subdivision 3. After 24 months from the beginning of the license application
51.2 process, the office may adjust the maximum number of licenses of any type listed in this
51.3 subdivision based on market demand, consistent with the objectives in section 342.02,
51.4 subdivision 1, and the annual report required under section 342.04, paragraph (f).

51.5 (b) If there are insufficient licenses available for all applicants that meet the minimum
51.6 qualifications in subdivision 3, the office shall hold a lottery to randomly select license
51.7 recipients from among the applicants. The office may issue as many licenses as the office
51.8 deems necessary of a license type that is not listed in this subdivision. The office is not
51.9 required to issue a license for a license type that is not listed in this subdivision.

51.10 (c) Cannabis microbusiness and cannabis mezzobusiness license holders with a retail
51.11 endorsement must obtain at least one other endorsement for authorized actions under the
51.12 license category within 18 months of license issuance or the office may revoke the license
51.13 holder's license or take appropriate enforcement action.

51.14 (d) The office is not required to issue licenses to meet the maximum number of licenses
51.15 that may be issued under paragraphs (e) and (f).

51.16 (e) For licenses that are available to social equity applicants, the maximum number of
51.17 licenses that the office may issue are:

51.18 (1) cultivator licenses, 25;

51.19 (2) product manufacturer licenses, 12;

51.20 (3) retailer licenses, 100; and

51.21 (4) cannabis mezzobusiness licenses, 22.

51.22 (f) For licenses that are available to all applicants, the maximum number of licenses that
51.23 the office may issue are:

51.24 (1) cultivator licenses, 25;

51.25 (2) product manufacturer licenses, 12;

51.26 (3) retailer licenses, 100; and

51.27 (4) cannabis mezzobusiness licenses, 22.

51.28 Sec. 51. Minnesota Statutes 2023 Supplement, section 342.18, is amended by adding a
51.29 subdivision to read:

51.30 Subd. 5. **Conversion to hemp business license.** (a) After the office adopts initial rules
51.31 pertaining to cannabis, the office may permit a holder of a hemp-derived cannabinoid

52.1 business registration pursuant to section 151.72 to convert the holder's registration to a
52.2 comparable lower-potency hemp edible business license if:

52.3 (1) the registration was active before the office adopted initial rules pertaining to cannabis;

52.4 (2) the registrant submits documentation to the office sufficient to meet the minimum
52.5 requirements in section 342.44;

52.6 (3) the registrant pays an application and licensing fee as required by section 342.11;
52.7 and

52.8 (4) the registrant is in good standing with the state.

52.9 (b) A registrant with an active hemp-derived cannabinoid business registration pursuant
52.10 to section 151.72 may continue operations under an active registration for no more than 30
52.11 days after the office begins accepting applications for a lower-potency hemp edible business
52.12 license.

52.13 (c) Upon the submission of an application for a lower-potency hemp edible business
52.14 license to the office, a registrant's hemp-derived cannabinoid business registration shall
52.15 remain active until the office makes a determination regarding the registrant's application,
52.16 as long as the registrant remains in good standing with the state.

52.17 Sec. 52. Minnesota Statutes 2023 Supplement, section 342.19, subdivision 1, is amended
52.18 to read:

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

52.22 (1) enter ~~any cannabis business or hemp business~~ the place of business of cannabis
52.23 business, hemp business, or a business engaged in the cultivation, manufacture, or retail
52.24 sale of cannabis without a license under this chapter without delay and at reasonable times;

52.25 (2) inspect and investigate during regular working hours and at other reasonable times,
52.26 within reasonable limits and in a reasonable manner, ~~any cannabis business or hemp business~~
52.27 the place of business of any cannabis business, hemp business, or a business engaged in the
52.28 cultivation, manufacture, or retail sale of cannabis without a license under this chapter and
52.29 all relevant conditions, equipment, records, and materials therein; and

52.30 (3) question privately any employer, owner, operator, agent, or employee of a ~~cannabis~~
52.31 ~~business or hemp business~~ any cannabis business, hemp business, or a business engaged in
52.32 the cultivation, manufacture, or retail sale of cannabis without a license under this chapter.

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

53.3 Sec. 53. Minnesota Statutes 2023 Supplement, section 342.19, subdivision 3, is amended
53.4 to read:

53.5 Subd. 3. **Aiding of inspection.** Subject to rules issued by the office, a representative of
53.6 ~~a cannabis business or hemp business shall~~ business participating in the cannabis industry
53.7 or hemp consumer industry must be given an opportunity to accompany the office during
53.8 the physical inspection of any cannabis business or hemp the business for the purpose of
53.9 aiding such inspection.

53.10 Sec. 54. Minnesota Statutes 2023 Supplement, section 342.19, subdivision 4, is amended
53.11 to read:

53.12 Subd. 4. **Complaints and reports; priority of inspection.** (a) The office may conduct
53.13 inspections of any ~~licensed cannabis business or hemp business~~ cannabis business, hemp
53.14 business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis
53.15 without a license under this chapter at any time to ensure compliance with the ownership
53.16 and operation requirements of this chapter.

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

53.21 (c) The office shall prioritize inspections of ~~cannabis businesses and hemp businesses~~
53.22 where there are reasonable grounds to believe that a violation by a person or business poses
53.23 imminent danger to the public or customers. Inspections must take place within one business
53.24 day of the receipt of a credible report.

53.25 (d) The office shall promptly inspect ~~cannabis businesses and hemp businesses~~ the place
53.26 of business of any cannabis business, hemp business, or a business engaged in the cultivation,
53.27 manufacture, or retail sale of cannabis without a license under this chapter that ~~are~~ is the
53.28 subject of complaint by a local unit of government.

53.29 Sec. 55. Minnesota Statutes 2023 Supplement, section 342.19, subdivision 5, is amended
53.30 to read:

53.31 Subd. 5. **Violations; administrative orders and penalties.** (a) The office may issue an
53.32 administrative order to any ~~licensed cannabis business or hemp business~~ cannabis business,

hemp business, or a business engaged in the cultivation, manufacture, or retail sale of cannabis without a license under this chapter that the office determines has committed a violation of this chapter or rules adopted pursuant to this chapter. The administrative order may require the business to correct the violation or to cease and desist from committing the violation. The order must state the deficiencies that constitute the violation and the time by which the violation must be corrected. If the business believes that the information in the administrative order is in error, the business may ask the office to consider the parts of the order that are alleged to be in error. The request must be in writing, delivered to the office by certified mail within seven days after receipt of the order, and provide documentation to support the allegation of error. The office must respond to a request for reconsideration within 15 days after receiving the request. A request for reconsideration does not stay the correction order unless the office issues a supplemental order granting additional time. The office's disposition of a request for reconsideration is final.

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

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

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

Sec. 56. Minnesota Statutes 2023 Supplement, section 342.22, is amended to read:

342.22 RETAILERS; LOCAL REGISTRATION AND ENFORCEMENT.

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

Subd. 2. **Registration fee.** (a) A local unit of government may impose an initial retail registration fee of \$500 or up to half the amount of the applicable initial license fee under

section 342.11, whichever is less. The local unit of government may also impose a renewal retail registration fee of \$1,000 or up to half the amount of the applicable renewal license fee under section 342.11, whichever is less. The initial registration fee shall include the fee for initial registration and the first annual renewal. Any renewal fee imposed by the local unit of government shall be charged at the time of the second renewal and each subsequent annual renewal thereafter.

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

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

~~(d)~~ (c) Registration fees are nonrefundable.

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

(1) ~~has a valid license issued~~ an application that has been approved by the office;

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

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

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

(b) Before issuing a retail registration, the local unit of government may conduct a preliminary compliance check to ensure that the cannabis business or hemp business is in compliance with the any applicable operation requirements and the limits on the types of ~~cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products that may be sold~~ local ordinance established pursuant to section 342.13.

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

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

Subd. 4. **Compliance checks.** (a) A local unit of government shall conduct compliance checks of every cannabis business and hemp business with a retail registration issued by the local unit of government. ~~The checks~~ During a compliance check, a local unit of

56.1 government shall assess a business's compliance with age verification requirements, the
56.2 and compliance with any applicable operation requirements, and the applicable limits on
56.3 the types of cannabis flower, cannabis products, lower-potency hemp edibles, and
56.4 hemp-derived consumer products being sold local ordinance established pursuant to section
56.5 342.13.

56.6 (b) The A local unit of government must conduct unannounced age verification
56.7 compliance checks of every cannabis business and hemp business at least once each calendar
56.8 year. Age verification compliance checks must involve persons at least 17 years of age but
56.9 under the age of 21 who, with the prior written consent of a parent or guardian if the person
56.10 is under the age of 18, attempt to purchase adult-use cannabis flower, adult-use cannabis
56.11 products, lower-potency hemp edibles, or hemp-derived consumer products under the direct
56.12 supervision of a law enforcement officer or an employee of the local unit of government.

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

56.18 Subd. 5. **Registration suspension and cancellation; notice to office; penalties.** (a) If
56.19 a local unit of government determines that a cannabis business or hemp business with a
56.20 retail registration issued by the local unit of government is not operating in compliance with
56.21 the requirements of ~~this chapter~~ a local ordinance authorized under section 342.13 or that
56.22 the operation of the business poses an immediate threat to the health or safety of the public,
56.23 the local unit of government may suspend the retail registration of the cannabis business or
56.24 hemp business. The local unit of government must immediately notify the office of the
56.25 suspension and shall include a description of the grounds for the suspension.

56.26 (b) The office shall review the retail registration suspension and may order reinstatement
56.27 of the retail registration or take any action described in section 342.19 or 342.21.

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

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

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

Sec. 57. Minnesota Statutes 2023 Supplement, section 342.24, subdivision 1, is amended to read:

Subdivision 1. **Individuals under 21 years of age.** (a) A cannabis business may not employ an individual under 21 years of age and may not contract with an individual under 21 years of age if the individual's scope of work involves the handling of cannabis plants, cannabis flower, artificially derived cannabinoids, or cannabinoid products.

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

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

Sec. 58. Minnesota Statutes 2023 Supplement, section 342.24, subdivision 2, is amended to read:

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

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

(c) A cannabis business may permit an employee to use ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products if that individual is a patient enrolled in the registry program and consuming cannabis as prescribed.

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

Sec. 59. Minnesota Statutes 2023 Supplement, section 342.28, is amended by adding a subdivision to read:

Subd. 1a. **Cannabis research.** A cannabis researcher employed by or affiliated with institutions of higher education that are regionally or nationally accredited may apply for a cannabis microbusiness license to conduct cannabis crop research. A cannabis researcher with a cannabis microbusiness license may perform activities identified in subdivision 1, clauses (1) to (9) and (13). Cannabis grown for research purposes must not be offered for sale or otherwise enter the stream of commerce.

Sec. 60. Minnesota Statutes 2023 Supplement, section 342.28, subdivision 2, is amended to read:

Subd. 2. Size limitations. (a) A cannabis microbusiness that cultivates cannabis at an indoor facility may cultivate up to 5,000 square feet of plant canopy. The office may adjust plant canopy limits upward or downward but not below 5,000 square feet to meet market demand consistent with the goals identified in section 342.02, subdivision 1.

(b) A cannabis microbusiness that cultivates cannabis at an outdoor location may cultivate up to one-half acre ~~of mature, flowering plants unless the office increases that limit. The office may increase the limit to no more than one acre if the office determines that expansion is.~~ The office may adjust size limits upward or downward but not below one-half acre to meet market demand consistent with the goals identified in section 342.02, subdivision 1.

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

59.1 (d) A cannabis microbusiness with the appropriate endorsement may operate one retail
59.2 location.

59.3 Sec. 61. Minnesota Statutes 2023 Supplement, section 342.29, subdivision 1, is amended
59.4 to read:

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

59.8 (1) grow cannabis plants from seed or immature plant to mature plant and harvest
59.9 cannabis flower from a mature plant for use as adult-use cannabis flower or for use in
59.10 adult-use cannabis products;

59.11 ~~(2) grow cannabis plants from seed or immature plant to mature plant and harvest~~
59.12 ~~cannabis flower from a mature plant for use as medical cannabis flower or for use in medical~~
59.13 ~~cannabinoid products;~~

59.14 ~~(3)~~ (2) make cannabis concentrate;

59.15 ~~(4)~~ (3) make hemp concentrate, including hemp concentrate with a delta-9
59.16 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;

59.17 ~~(5)~~ (4) manufacture artificially derived cannabinoids;

59.18 ~~(6)~~ (5) manufacture adult-use cannabis products, lower-potency hemp edibles, and
59.19 hemp-derived consumer products for public consumption;

59.20 ~~(7)~~ (6) manufacture and process medical cannabinoid products;

59.21 ~~(8)~~ (7) purchase immature cannabis plants and seedlings and cannabis flower from a
59.22 cannabis microbusiness, another cannabis mezzobusiness, a cannabis manufacturer, or a
59.23 cannabis wholesaler;

59.24 ~~(9)~~ (8) purchase cannabis concentrate, hemp concentrate, and synthetically derived
59.25 cannabinoids from a cannabis microbusiness, another cannabis mezzobusiness, a cannabis
59.26 manufacturer, or a cannabis wholesaler for use in manufacturing adult-use cannabis products,
59.27 lower-potency hemp edibles, or hemp-derived consumer products;

59.28 ~~(10)~~ (9) purchase hemp plant parts and propagules from a licensed hemp grower licensed
59.29 under chapter 18K;

59.30 ~~(11)~~ (10) purchase hemp concentrate from an industrial hemp processor licensed under
59.31 chapter 18K;

60.1 ~~(12)~~ (11) package and label adult-use cannabis flower, adult-use cannabis products,
60.2 lower-potency hemp edibles, and hemp-derived consumer products for sale to customers;
60.3 ~~(13)~~ (12) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
60.4 cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and
60.5 other products authorized by law to other cannabis businesses and to customers; and
60.6 ~~(14)~~ (13) perform other actions approved by the office.

60.7 Sec. 62. Minnesota Statutes 2023 Supplement, section 342.29, subdivision 4, is amended
60.8 to read:

60.9 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
60.10 cannabis mezzobusiness license may also hold a cannabis event organizer license ~~and a~~
60.11 ~~medical cannabis retailer license.~~

60.12 (b) Except as provided in paragraph (a), no person, cooperative, or business holding a
60.13 cannabis mezzobusiness license may own or operate any other cannabis business or hemp
60.14 business or hold more than one cannabis mezzobusiness license.

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

60.18 Sec. 63. Minnesota Statutes 2023 Supplement, section 342.30, subdivision 4, is amended
60.19 to read:

60.20 Subd. 4. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
60.21 cannabis cultivator license may also hold a cannabis manufacturing license, ~~medical cannabis~~
60.22 ~~cultivator license~~, medical cannabis producer license, license to grow industrial hemp, and
60.23 cannabis event organizer license.

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

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

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

Sec. 64. Minnesota Statutes 2023 Supplement, section 342.31, subdivision 4, is amended to read:

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

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

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

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

Sec. 65. Minnesota Statutes 2023 Supplement, section 342.32, subdivision 4, is amended to read:

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

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

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

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

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

Sec. 66. Minnesota Statutes 2023 Supplement, section 342.35, subdivision 1, is amended to read:

Subdivision 1. **Authorized actions.** A cannabis transporter license entitles the license holder to transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, ~~medical cannabis retailers,~~ ~~medical cannabis processors,~~ and industrial hemp growers to cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis testing facilities, cannabis wholesalers, cannabis retailers, lower-potency hemp edible retailers, ~~medical cannabis processors,~~ ~~medical cannabis retailers,~~ and medical cannabis combination businesses and perform other actions approved by the office.

Sec. 67. Minnesota Statutes 2023 Supplement, section 342.37, subdivision 1, is amended to read:

Subdivision 1. **Authorized actions.** A cannabis testing facility license entitles the license holder to obtain and test immature cannabis plants and seedlings, cannabis flower, cannabis products, hemp plant parts, hemp concentrate, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, lower-potency hemp edible manufacturers, ~~medical cannabis cultivators,~~ ~~medical cannabis processors,~~ medical cannabis combination businesses, and industrial hemp growers.

Sec. 68. Minnesota Statutes 2023 Supplement, section 342.40, subdivision 7, is amended to read:

Subd. 7. **Cannabis event sales.** (a) Cannabis microbusinesses with a retail endorsement, cannabis mezzobusinesses with a retail endorsement, cannabis retailers, and lower-potency hemp edible retailers, including the cannabis event organizer, may be authorized to sell cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to customers at a cannabis event.

(b) All sales of cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products at a cannabis event must take place in a retail area as designated in the premises diagram.

(c) Authorized retailers may only conduct sales within their specifically assigned area.

(d) Authorized retailers must verify the age of all customers pursuant to section 342.27, subdivision 4, before completing a sale and may not sell cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age.

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

(f) The notice requirements under section 342.27, subdivision 6, apply to authorized retailers offering cannabis plants, adult-use cannabis flower, adult-use cannabinoid products, and hemp-derived consumer products for sale at a cannabis event.

(g) Authorized retailers may not:

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

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

(3) sell ~~medical cannabis flower or medical~~ cannabinoid products;

(4) give away cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products; or

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

(h) Except for samples of a cannabis plant, adult-use cannabis flower, adult-use cannabis product, lower-potency hemp edible, and hemp-derived consumer product, all cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for sale at a cannabis event must be stored in a secure, locked container that is not accessible to the public. Such items being stored at a cannabis event shall not be left unattended.

(i) All cannabis plants, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for sale at a cannabis event must comply with this chapter and rules adopted pursuant to this chapter regarding the testing, packaging, and labeling of those items.

(j) All cannabis plants, adult-use cannabis flower, and adult-use cannabis products sold, damaged, or destroyed at a cannabis event must be recorded in the statewide monitoring system.

Sec. 69. Minnesota Statutes 2023 Supplement, section 342.41, subdivision 1, is amended to read:

Subdivision 1. **Authorized actions.** A cannabis delivery service license entitles the license holder to purchase cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from licensed cannabis microbusinesses with a retail endorsement, cannabis mezzobusinesses with a retail endorsement, cannabis retailers, ~~medical cannabis retailers,~~ and medical cannabis combination businesses; transport and deliver cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumable products to customers; and perform other actions approved by the office.

Sec. 70. Minnesota Statutes 2023 Supplement, section 342.41, subdivision 3, is amended to read:

Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis delivery service license may also hold a cannabis retailer license, a cannabis wholesaler license, a cannabis transporter license, and a cannabis event organizer license; ~~and a medical cannabis retailer license~~ subject to the ownership limitations that apply to those licenses.

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

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

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

Sec. 71. **[342.465] LOWER-POTENCY HEMP EDIBLES; PROHIBITED CONDUCT.**

No person may sell, give, furnish, or in any way procure for another person lower-potency hemp edibles for the use of an obviously impaired person.

Sec. 72. Minnesota Statutes 2023 Supplement, section 342.51, is amended to read:

342.51 MEDICAL CANNABIS RETAILERS RETAIL ENDORSEMENT.

Subdivision 1. **Authorized actions.** (a) The office must issue a medical cannabis retail endorsement to a cannabis business, if the business:

(1) submits a medical cannabis retail endorsement application to the office;

(2) has at least one employee who earned a medical cannabis consultant certificate issued by the office and has completed the required training or has at least one employee who is a licensed pharmacist under chapter 151; and

(3) otherwise meets all applicable requirements established by the office.

(b) A medical cannabis ~~retailer license~~ retail endorsement entitles the license holder to purchase medical cannabis flower and medical cannabinoid products from medical cannabis cultivators and medical cannabis processors and sell or distribute medical cannabis flower and medical cannabinoid products to any person authorized to receive medical cannabis flower or medical cannabinoid products. sell or distribute the following products to any person enrolled in the medical cannabis patient registry under section 342.52:

(1) cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products that are a product category approved by the office and that comply with this chapter and rules adopted pursuant to this chapter regarding the testing, packaging, and labeling of cannabis plants, cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products; and

(2) associated paraphernalia.

~~(b)~~ (c) A medical cannabis ~~retailer license~~ retail endorsement holder must verify that all ~~medical cannabis flower and medical cannabinoid~~ products under paragraph (b), clause (1), have passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of ~~medical cannabis flower and medical cannabinoid~~ products under paragraph (b), clause (1), before the ~~medical cannabis retailer~~ business may distribute the ~~medical cannabis flower or medical cannabinoid product~~ products to any person ~~authorized to receive medical cannabis flower or medical cannabinoid products~~ enrolled in the medical cannabis patient registry program under section 342.52.

Subd. 2. **Distribution requirements.** (a) Prior to distribution of ~~medical cannabis flower or medical cannabinoid~~ products, ~~a medical cannabis retailer licensee~~ products listed in subdivision 1, paragraph (b), to a person enrolled in the patient registry program, an employee with a valid medical cannabis consultant certificate issued by the office or a licensed pharmacist under chapter 151 must:

(1) review and confirm the patient's enrollment in the registry ~~verification~~ program;

(2) verify that the person requesting the distribution of ~~medical cannabis flower or medical cannabinoid~~ products listed under subdivision 1, paragraph (b), is the patient, the patient's registered designated caregiver, or the patient's parent, legal guardian, or spouse using the procedures ~~specified in section 152.11, subdivision 2d~~ established by the office;

~~(3) ensure that a pharmacist employee of the medical cannabis retailer has consulted with the patient if required according to subdivision 3; and~~

(3) provide consultation to the patient to determine the proper type of product, dosage, and paraphernalia for the patient if required under subdivision 3;

(4) apply a patient-specific label on the ~~medical cannabis flower or medical cannabinoid~~ product that includes recommended dosage requirements and other information as required ~~by rules adopted by the office;~~ and

(5) provide the patient with any other information required by the office.

(b) A medical cannabis ~~retailer~~ retail endorsement holder may not deliver ~~medical cannabis flower or medical cannabinoid~~ products listed in subdivision 1, paragraph (b), to a person enrolled in the patient registry program unless the medical cannabis ~~retailer~~ retail endorsement holder also holds a cannabis delivery service license. The delivery of ~~medical cannabis flower and medical cannabinoid~~ products are a product listed in subdivision 1, paragraph (b), is subject to the provisions of section 342.42.

67.1 Subd. 3. ~~Final approval for distribution of medical cannabis flower and medical~~
67.2 ~~cannabinoid products.~~ (a) A cannabis worker who is employed by a medical cannabis
67.3 ~~retailer and~~ retail endorsement holder who is licensed as a pharmacist pursuant to chapter
67.4 151 ~~shall be~~ or certified as a medical cannabis consultant by the office is the only person
67.5 who may give final approval for the distribution of ~~medical cannabis flower and medical~~
67.6 ~~cannabinoid products~~ listed in subdivision 1, paragraph (b). Prior to the distribution of
67.7 ~~medical cannabis flower or medical cannabinoid products~~ listed in subdivision 1, paragraph
67.8 (b), a pharmacist or certified medical cannabis consultant employed by ~~the~~ a business with
67.9 a medical cannabis retailer retail endorsement must consult with the patient to determine
67.10 the proper type of ~~medical cannabis flower, medical cannabinoid product, or medical cannabis~~
67.11 proper type of paraphernalia, and proper dosage for the patient after reviewing the range of
67.12 chemical compositions of ~~medical cannabis flower or medical cannabinoid~~ the product,
67.13 intended for distribution:

67.14 (1) if the patient is purchasing the product for the first time;

67.15 (2) if the patient purchases a product that the patient must administer using a different
67.16 method than the patient's previous method of administration;

67.17 (3) if the patient purchases a product with a cannabinoid concentration of at least double
67.18 the patient's prior dosage; or

67.19 (4) upon the request of the patient.

67.20 (b) For purposes of this subdivision, a consultation may be conducted remotely by secure
67.21 videoconference, telephone, or other remote means, as long as:

67.22 (1) the pharmacist or consultant engaging in the consultation is able to confirm the
67.23 identity of the patient; and

67.24 (2) the consultation adheres to patient privacy requirements that apply to health care
67.25 services delivered through telemedicine.

67.26 ~~(b) Notwithstanding paragraph (a), a pharmacist consultation is not required prior to the~~
67.27 ~~distribution of medical cannabis flower or medical cannabinoid products when a medical~~
67.28 ~~cannabis retailer is distributing medical cannabis flower or medical cannabinoid products~~
67.29 ~~to a patient according to a patient-specific dosage plan established with that medical cannabis~~
67.30 ~~retailer and is not modifying the dosage or product being distributed under that plan. Medical~~
67.31 ~~cannabis flower or medical cannabinoid products distributed under this paragraph must be~~
67.32 ~~distributed by a pharmacy technician employed by the medical cannabis retailer.~~

68.1 ~~Subd. 4. 90-day supply.~~ A medical cannabis retailer shall not distribute more than a
68.2 90-day supply of medical cannabis flower or medical cannabinoid products to a patient,
68.3 registered designated caregiver, or parent, legal guardian, or spouse of a patient according
68.4 to the dosages established for the individual patient.

68.5 Subd. 5. **Distribution to recipient in a motor vehicle.** A medical cannabis ~~retailer~~ retail
68.6 endorsement holder may distribute ~~medical cannabis flower and medical cannabinoid~~
68.7 products a product listed in subdivision 1, paragraph (b), to a ~~patient, registered designated~~
68.8 ~~caregiver, or parent, legal guardian, or spouse of a patient~~ person enrolled in the patient
68.9 registry program who is at a dispensary location but remains in a motor vehicle, provided
68.10 that:

68.11 (1) staff receive payment and distribute ~~medical cannabis flower and medical cannabinoid~~
68.12 ~~products~~ a product listed in subdivision 1, paragraph (b), in a designated zone that is as
68.13 close as feasible to the front door of the facility;

68.14 (2) the medical cannabis ~~retailer~~ retail endorsement holder ensures that the receipt of
68.15 payment and distribution of ~~medical cannabis flower and medical cannabinoid products~~ a
68.16 product listed in subdivision 1, paragraph (b), are visually recorded by a closed-circuit
68.17 television surveillance camera and provides any other necessary security safeguards;

68.18 (3) the medical cannabis ~~retailer~~ retail endorsement holder does not store ~~medical cannabis~~
68.19 ~~flower or medical cannabinoid products~~ a product listed in subdivision 1, paragraph (b),
68.20 outside a restricted access area and staff transport ~~medical cannabis flower and medical~~
68.21 ~~cannabinoid products~~ the product from a restricted access area to the designated zone for
68.22 distribution only after confirming that the ~~patient, designated caregiver, or parent, guardian,~~
68.23 ~~or spouse~~ person enrolled in the patient registry program has arrived in the designated zone;

68.24 (4) the payment for and distribution of ~~medical cannabis flower and medical cannabinoid~~
68.25 ~~products~~ a product listed in subdivision 1, paragraph (b), take place only after a ~~pharmacist~~
68.26 ~~consultation takes place, if required under subdivision 3~~ meeting the requirements in
68.27 subdivision 2;

68.28 (5) immediately following the distribution of ~~medical cannabis flower or medical~~
68.29 ~~cannabinoid products~~ a product listed in subdivision 1, paragraph (b), staff ~~enter~~ record the
68.30 transaction in the statewide monitoring system; and

68.31 (6) immediately following the distribution of ~~medical cannabis flower and medical~~
68.32 ~~cannabinoid products~~ a product listed in subdivision 1, paragraph (b), staff take the payment
68.33 received into the facility.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 73. Minnesota Statutes 2023 Supplement, section 342.515, is amended to read:

342.515 MEDICAL CANNABIS COMBINATION BUSINESSES.

Subdivision 1. **Authorized actions.** (a) A person, cooperative, or business holding a medical cannabis combination business license is prohibited from owning or operating any other cannabis business or hemp business or holding an active registration agreement under section 152.25, subdivision 1.

(b) A person or business may hold only one medical cannabis combination business license.

(c) A medical cannabis combination business license entitles the license holder to perform any or all of the following within the limits established by this section:

(1) grow cannabis plants from seed or immature plant to mature plant and harvest ~~adult-use~~ cannabis flower and ~~medical~~ cannabis flower from a mature plant;

(2) make cannabis concentrate;

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

(4) manufacture artificially derived cannabinoids;

(5) manufacture ~~medical~~ cannabinoid products;

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

(7) purchase immature cannabis plants and seedlings and cannabis flower from a cannabis microbusiness, a cannabis mezzobusiness, a cannabis manufacturer, a cannabis wholesaler, ~~a medical cannabis cultivator,~~ or another medical cannabis combination business;

(8) purchase hemp plant parts and propagules from an industrial hemp grower licensed under chapter 18K;

(9) purchase cannabis concentrate, hemp concentrate, and artificially derived cannabinoids from a cannabis microbusiness, a cannabis mezzobusiness, a cannabis manufacturer, a cannabis wholesaler, ~~a medical cannabis processor,~~ or another medical cannabis combination business;

(10) purchase hemp concentrate from an industrial hemp processor licensed under chapter 18K;

(11) package and label ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products for sale to ~~medical cannabis processors, medical cannabis retailers,~~ other medical cannabis combination businesses, and patients enrolled in the registry program, registered designated caregivers, and parents, legal guardians, and spouses of an enrolled patient;

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

(13) sell ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products to patients enrolled in the registry program, registered designated caregivers, and parents, legal guardians, and spouses of an enrolled patient;

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

(15) perform other actions approved by the office.

Subd. 2. **Cultivation; size limitations.** (a) A medical cannabis combination business may cultivate cannabis to be sold as ~~medical~~ cannabis flower or used in ~~medical~~ cannabinoid products in an area of up to 60,000 square feet of plant canopy subject to the limits on adult-use cannabis cultivation in paragraph (c).

(b) A medical cannabis combination business may cultivate cannabis to be sold as adult-use cannabis flower or used in adult-use cannabis products in an area authorized by the office as described in paragraph (c).

(c) The office shall authorize a medical cannabis combination business to cultivate cannabis for sale in the adult-use market in an area of plant canopy that is equal to one-half of the area the business used to cultivate cannabis sold in the medical market in the preceding year. The office shall establish an annual verification and authorization procedure. The office may increase the area of plant canopy in which a medical cannabis combination business is authorized to cultivate cannabis for sale in the adult-use market between authorization periods if the business demonstrates a significant increase in the sale of medical cannabis and medical cannabis products.

Subd. 3. **Manufacturing; size limitations.** The office may establish limits on cannabis manufacturing that are consistent with the area of plant canopy a business is authorized to cultivate.

Subd. 4. **Retail locations.** A medical cannabis combination business may operate up to one retail location in each congressional district. ~~A medical cannabis combination business must offer medical cannabis flower, medical cannabinoid products, or both at every retail location.~~ Each retail location of a medical cannabis combination business must continuously make cannabis flower or cannabinoid products available to patients enrolled in the registry program, registered designated caregivers, and parents, legal guardians, and spouses of an enrolled patient.

Subd. 5. **Failure to participate; suspension or revocation of license.** The office may suspend or revoke a medical cannabis combination business license if the office determines that the business is no longer actively participating in the medical cannabis market. The office may, by rule, establish minimum requirements related to cannabis cultivation, manufacturing of ~~medical~~ cannabinoid products, retail sales of ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products, and other relevant criteria to demonstrate active participation in the medical cannabis market.

Subd. 6. **Operations.** A medical cannabis combination business must comply with the relevant requirements of sections 342.25, 342.26, 342.27, and 342.51, subdivisions 2 to 5.

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

Sec. 74. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 1, is amended to read:

Subdivision 1. **Administration.** ~~The Division of Medical Cannabis office~~ must administer the medical cannabis patient registry program.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 75. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 2, is amended to read:

Subd. 2. **Application procedure for patients.** (a) A patient seeking to enroll in the registry program must submit to the ~~Division of Medical Cannabis office~~ an application established by the ~~Division of Medical Cannabis office~~ and a copy of the certification specified in paragraph (b) or, if the patient is a veteran who receives care from the United States Department of Veterans Affairs, the information required pursuant to subdivision 3. The patient must provide at least the following information in the application:

- 72.1 (1) the patient's name, mailing address, and date of birth;
- 72.2 (2) the name, mailing address, and telephone number of the patient's health care
72.3 practitioner;
- 72.4 (3) the name, mailing address, and date of birth of the patient's registered designated
72.5 caregiver, if any, or the patient's parent, legal guardian, or spouse if the parent, legal guardian,
72.6 or spouse will be acting as the patient's caregiver;
- 72.7 (4) a disclosure signed by the patient that includes:
- 72.8 (i) a statement that, notwithstanding any law to the contrary, the office of Cannabis
72.9 Management, the Division of Medical Cannabis, or an employee of the office of Cannabis
72.10 Management or Division of Medical Cannabis may not be held civilly or criminally liable
72.11 for any injury, loss of property, personal injury, or death caused by an act or omission while
72.12 acting within the employee's scope of office or employment under this section; and
- 72.13 (ii) the patient's acknowledgment that enrollment in the registry program is conditional
72.14 on the patient's agreement to meet all other requirements of this section; and
- 72.15 (5) all other information required by the ~~Division of Medical Cannabis~~ office.
- 72.16 (b) As part of the application under this subdivision, a patient must submit a copy of a
72.17 certification from the patient's health care practitioner that is dated within 90 days prior to
72.18 the submission of the application and that certifies that the patient has been diagnosed with
72.19 a qualifying medical condition.
- 72.20 (c) A patient's health care practitioner may submit a statement to the ~~Division of Medical~~
72.21 ~~Cannabis~~ office declaring that the patient is no longer diagnosed with a qualifying medical
72.22 condition. Within 30 days after receipt of a statement from a patient's health care practitioner,
72.23 the ~~Division of Medical Cannabis~~ office must provide written notice to a patient stating that
72.24 the patient's enrollment in the registry program will be revoked in 30 days unless the patient
72.25 submits a certification from a health care practitioner that the patient is currently diagnosed
72.26 with a qualifying medical condition or, if the patient is a veteran, the patient submits
72.27 confirmation that the patient is currently diagnosed with a qualifying medical condition in
72.28 a form and manner consistent with the information required for an application made pursuant
72.29 to subdivision 3. If the ~~Division of Medical Cannabis~~ office revokes a patient's enrollment
72.30 in the registry program pursuant to this paragraph, the division must provide notice to the
72.31 patient and to the patient's health care practitioner.

73.1 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
73.2 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
73.3 is later.

73.4 Sec. 76. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 3, is amended
73.5 to read:

73.6 Subd. 3. **Application procedure for veterans.** (a) The ~~Division of Medical Cannabis~~
73.7 office shall establish an alternative certification procedure for veterans who receive care
73.8 from the United States Department of Veterans Affairs to confirm that the veteran has been
73.9 diagnosed with a qualifying medical condition.

73.10 (b) A patient who is also a veteran and is seeking to enroll in the registry program must
73.11 submit to the ~~Division of Medical Cannabis~~ office an application established by the ~~Division~~
73.12 ~~of Medical Cannabis~~ office that includes the information identified in subdivision 2,
73.13 paragraph (a), and the additional information required by the ~~Division of Medical Cannabis~~
73.14 office to certify that the patient has been diagnosed with a qualifying medical condition.

73.15 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
73.16 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
73.17 is later.

73.18 Sec. 77. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 4, is amended
73.19 to read:

73.20 Subd. 4. **Enrollment; denial of enrollment; revocation.** (a) Within 30 days after the
73.21 receipt of an application and certification or other documentation of a diagnosis with a
73.22 qualifying medical condition, the ~~Division of Medical Cannabis~~ office must approve or
73.23 deny a patient's enrollment in the registry program. If the ~~Division of Medical Cannabis~~
73.24 office approves a patient's enrollment in the registry program, the office must provide notice
73.25 to the patient and to the patient's health care practitioner.

73.26 (b) The office may deny a patient's enrollment in the registry program ~~must only be~~
73.27 ~~denied~~ only if the patient:

73.28 (1) does not submit a certification from a health care practitioner or, if the patient is a
73.29 veteran, the documentation required under subdivision 3 that the patient has been diagnosed
73.30 with a qualifying medical condition;

73.31 (2) has not signed the disclosure required in subdivision 2;

74.1 (3) does not provide the information required by the ~~Division of Medical Cannabis~~
74.2 office;

74.3 (4) provided false information on the application; or

74.4 (5) at the time of application, is also enrolled in a federally approved clinical trial for
74.5 the treatment of a qualifying medical condition with medical cannabis.

74.6 (c) If the ~~Division of Medical Cannabis~~ office denies a patient's enrollment in the registry
74.7 program, the ~~Division of Medical Cannabis~~ office must provide written notice to a patient
74.8 of all reasons for denying enrollment. Denial of enrollment in the registry program is
74.9 considered a final decision of the office and is subject to judicial review under chapter 14.

74.10 (d) The office may revoke a patient's enrollment in the registry program ~~may be revoked~~
74.11 only:

74.12 (1) pursuant to subdivision 2, paragraph (c);

74.13 (2) upon the death of the patient;

74.14 (3) if the patient's certifying health care practitioner has filed a declaration under
74.15 subdivision 2, paragraph (c), that the patient's qualifying diagnosis no longer exists and the
74.16 patient does not submit another certification within 30 days;

74.17 (4) if the patient does not comply with subdivision 6; or

74.18 (5) if the patient intentionally sells or diverts ~~medical~~ cannabis flower or ~~medical~~
74.19 cannabinoid products in violation of this chapter.

74.20 (e) If the office has revoked a patient's enrollment in the registry program ~~has been~~
74.21 ~~revoked~~ due to a violation of subdivision 6, the patient may apply for enrollment 12 months
74.22 after the date on which the patient's enrollment was revoked. The office must process such
74.23 an application in accordance with this subdivision.

74.24 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
74.25 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
74.26 is later.

74.27 Sec. 78. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 5, is amended
74.28 to read:

74.29 Subd. 5. **Registry verification.** When a patient is enrolled in the registry program, the
74.30 ~~Division of Medical Cannabis~~ office must assign the patient a patient registry number and
74.31 must issue the patient and the patient's registered designated caregiver, parent, legal guardian,

or spouse, if applicable, a registry verification. ~~The Division of Medical Cannabis office~~
must also make the registry verification available to ~~medical cannabis retailers~~ businesses
with a medical cannabis retail endorsement. The registry verification must include:

(1) the patient's name and date of birth;

(2) the patient registry number assigned to the patient; and

(3) the name and date of birth of the patient's registered designated caregiver, if any, or
the name of the patient's parent, legal guardian, or spouse if the parent, legal guardian, or
spouse will act as a caregiver.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of
initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
is later.

Sec. 79. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 9, is amended
to read:

Subd. 9. **Registered designated caregiver.** (a) ~~The Division of Medical Cannabis office~~
must register a designated caregiver for a patient if the patient requires assistance in
administering ~~medical cannabis flower or medical cannabinoid products~~ or in obtaining
~~medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia~~
from a ~~medical cannabis retailer~~ business with a medical cannabis retail endorsement under
section 342.51.

(b) In order to serve as a designated caregiver, a person must:

(1) be at least 18 years of age;

(2) agree to only possess ~~the patient's medical cannabis flower and medical cannabinoid~~
products purchased under section 342.51 for purposes of assisting the patient; and

(3) agree that if the application is approved, the person will not serve as a registered
designated caregiver for more than six registered patients at one time. Patients who reside
in the same residence count as one patient.

~~(c) The office shall conduct a criminal background check on the designated caregiver
prior to registration to ensure that the person does not have a conviction for a disqualifying
felony offense. Any cost of the background check shall be paid by the person seeking
registration as a designated caregiver. A designated caregiver must have the criminal
background check renewed every two years.~~

(d) (c) Nothing in this section shall be construed to prevent a registered designated caregiver from being enrolled in the registry program as a patient and possessing and administering medical cannabis flower or medical cannabinoid products as a patient.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 80. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 11, is amended to read:

Subd. 11. **Notice of change of name or address.** Patients and registered designated caregivers must notify the ~~Division of Medical Cannabis~~ office of any address or name change within 30 days of the change having occurred. A patient or registered designated caregiver is subject to a \$100 fine for failure to notify the office of the change.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 81. Minnesota Statutes 2023 Supplement, section 342.53, is amended to read:

342.53 DUTIES OF OFFICE OF CANNABIS MANAGEMENT; ~~REGISTRY~~
~~PROGRAM~~ ADDING OR MODIFYING QUALIFYING MEDICAL CONDITIONS.

The office may ~~add an allowable form of medical cannabinoid product, and may~~ add or modify a qualifying medical condition upon ~~its~~ the office's own initiative, upon a petition from a member of the public or from the Cannabis Advisory Council, or as directed by law. The office must evaluate all petitions and must make the addition or modification if the office determines that the addition or modification is warranted by the best available evidence and research. If the office wishes to ~~add an allowable form or~~ add or modify a qualifying medical condition, the office must notify the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health finance and policy by January 15 of the year in which the change becomes effective. In this notification, the office must specify the proposed addition or modification, the reasons for the addition or modification, any written comments received by the office from the public about the addition or modification, and any guidance received from the Cannabis Advisory Council. An addition or modification by the office under this subdivision becomes effective on August 1 of that year unless the legislature by law provides otherwise.

77.1 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
77.2 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
77.3 is later.

77.4 Sec. 82. Minnesota Statutes 2023 Supplement, section 342.54, is amended to read:

77.5 **342.54 DUTIES OF ~~DIVISION OF MEDICAL CANNABIS~~ OFFICE OF**
77.6 **CANNABIS MANAGEMENT; MEDICAL CANNABIS PATIENT REGISTRY**
77.7 **PROGRAM.**

77.8 Subdivision 1. **Duties related to health care practitioners.** The ~~Division of Medical~~
77.9 ~~Cannabis~~ office must:

77.10 (1) provide notice of the registry program to health care practitioners in the state;

77.11 (2) allow health care practitioners to participate in the registry program if they request
77.12 to participate and meet the program's requirements;

77.13 (3) provide explanatory information and assistance to health care practitioners to
77.14 understand the nature of the therapeutic use of ~~medical~~ cannabis flower and ~~medical~~
77.15 cannabinoid products within program requirements;

77.16 (4) make available to participating health care practitioners a certification form in which
77.17 a health care practitioner certifies that a patient has a qualifying medical condition; and

77.18 (5) supervise the participation of health care practitioners in the registry reporting system
77.19 in which health care practitioners report patient treatment and health records information
77.20 to the office in a manner that ensures stringent security and record keeping requirements
77.21 and that prevents the unauthorized release of private data on individuals as defined in section
77.22 13.02.

77.23 Subd. 2. **Duties related to the medical registry program.** The ~~Division of Medical~~
77.24 ~~Cannabis~~ office must:

77.25 (1) administer the registry program according to section 342.52;

77.26 (2) provide information to patients enrolled in the registry program on the existence of
77.27 federally approved clinical trials for the treatment of the patient's qualifying medical condition
77.28 with ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products as an alternative to enrollment
77.29 in the registry program;

77.30 (3) maintain safety criteria with which patients must comply as a condition of participation
77.31 in the registry program to prevent patients from undertaking any task under the influence

78.1 of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products that would constitute negligence
78.2 or professional malpractice;

78.3 (4) review and publicly report on existing medical and scientific literature regarding the
78.4 range of recommended dosages for each qualifying medical condition, the range of chemical
78.5 compositions of ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products that will likely
78.6 be medically beneficial for each qualifying medical condition, and any risks of noncannabis
78.7 drug interactions. This information must be updated by December 1 of each year. The office
78.8 may consult with an independent laboratory under contract with the office or other experts
78.9 in reporting and updating this information; and

78.10 (5) annually consult with cannabis businesses about medical cannabis that the businesses
78.11 cultivate, manufacture, and offer for sale and post on the ~~Division of Medical Cannabis~~
78.12 office website a list of the ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products offered
78.13 for sale by each ~~medical~~ cannabis retailer.

78.14 Subd. 3. **Research.** (a) The ~~Division of Medical Cannabis~~ office must conduct or contract
78.15 with a third party to conduct research and studies using data from health records submitted
78.16 to the registry program under section 342.55, subdivision 2, and data submitted to the registry
78.17 program under section 342.52, subdivisions 2 and 3. If the ~~division~~ office contracts with a
78.18 third party for research and studies, the third party must provide the ~~division~~ office with
78.19 access to all research and study results. The ~~division~~ office must submit reports on
78.20 intermediate or final research results to the legislature and major scientific journals. All
78.21 data used by the ~~division~~ office or a third party under this subdivision must be used or
78.22 reported in an aggregated nonidentifiable form as part of a scientific peer-reviewed
78.23 publication of research or in the creation of summary data, as defined in section 13.02,
78.24 subdivision 19.

78.25 (b) The ~~Division of Medical Cannabis~~ office may submit medical research based on the
78.26 data collected under sections 342.55, subdivision 2, and data collected through the statewide
78.27 monitoring system to any federal agency with regulatory or enforcement authority over
78.28 ~~medical~~ cannabis flower and ~~medical~~ cannabinoid products to demonstrate the effectiveness
78.29 of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products for treating or alleviating the
78.30 symptoms of a qualifying medical condition.

78.31 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
78.32 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
78.33 is later.

79.1 Sec. 83. Minnesota Statutes 2023 Supplement, section 342.55, subdivision 1, is amended
79.2 to read:

79.3 Subdivision 1. **Health care practitioner duties before patient enrollment.** Before a
79.4 patient's enrollment in the registry program, a health care practitioner must:

79.5 (1) determine, in the health care practitioner's medical judgment, whether a patient has
79.6 a qualifying medical condition and, if so determined, provide the patient with a certification
79.7 of that diagnosis;

79.8 (2) advise patients, registered designated caregivers, and parents, legal guardians, and
79.9 spouses acting as caregivers of any nonprofit patient support groups or organizations;

79.10 (3) provide to patients explanatory information from the ~~Division of Medical Cannabis~~
79.11 office, including information about the experimental nature of the therapeutic use of ~~medical~~
79.12 cannabis flower and ~~medical~~ cannabinoid products; the possible risks, benefits, and side
79.13 effects of the proposed treatment; and the application and other materials from the office;

79.14 (4) provide to patients a Tennessee warning as required under section 13.04, subdivision
79.15 2; and

79.16 (5) agree to continue treatment of the patient's qualifying medical condition and to report
79.17 findings to the ~~Division of Medical Cannabis~~ office.

79.18 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
79.19 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
79.20 is later.

79.21 Sec. 84. Minnesota Statutes 2023 Supplement, section 342.55, subdivision 2, is amended
79.22 to read:

79.23 Subd. 2. **Duties upon patient's enrollment in registry program.** Upon receiving
79.24 notification from the ~~Division of Medical Cannabis~~ office of the patient's enrollment in the
79.25 registry program, a health care practitioner must:

79.26 (1) participate in the patient registry reporting system under the guidance and supervision
79.27 of the ~~Division of Medical Cannabis~~ office;

79.28 (2) report to the ~~Division of Medical Cannabis~~ office patient health records throughout
79.29 the patient's ongoing treatment in a manner determined by the office and in accordance with
79.30 subdivision 4;

79.31 (3) determine on a yearly basis if the patient continues to have a qualifying medical
79.32 condition and, if so, issue the patient a new certification of that diagnosis. The patient

80.1 assessment conducted under this clause may be conducted via telehealth, as defined in
80.2 section 62A.673, subdivision 2; and

80.3 (4) otherwise comply with requirements established by the office of Cannabis
80.4 ~~Management and the Division of Medical Cannabis.~~

80.5 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
80.6 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
80.7 is later.

80.8 Sec. 85. Minnesota Statutes 2023 Supplement, section 342.56, subdivision 1, is amended
80.9 to read:

80.10 Subdivision 1. **Limitations on consumption; locations of consumption.** (a) Nothing
80.11 in sections ~~342.47~~ 342.51 to 342.60 permits any person to engage in, and does not prevent
80.12 the imposition of any civil, criminal, or other penalties for:

80.13 (1) undertaking a task under the influence of ~~medical~~ cannabis flower or ~~medical~~
80.14 cannabinoid products that would constitute negligence or professional malpractice;

80.15 (2) possessing or consuming ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products:

80.16 (i) on a school bus or van;

80.17 (ii) in a correctional facility;

80.18 (iii) in a state-operated treatment program, including the Minnesota sex offender program;

80.19 or

80.20 (iv) on the grounds of a child care facility or family or group family day care program;

80.21 (3) vaporizing or smoking medical cannabis:

80.22 (i) on any form of public transportation;

80.23 (ii) where the vapor would be inhaled by a nonpatient minor or where the smoke would
80.24 be inhaled by a minor; or

80.25 (iii) in any public place, including any indoor or outdoor area used by or open to the
80.26 general public or a place of employment, as defined in section 144.413, subdivision 1b; and

80.27 (4) operating, navigating, or being in actual physical control of a motor vehicle, aircraft,
80.28 train, or motorboat or working on transportation property, equipment, or facilities while
80.29 under the influence of ~~medical~~ cannabis flower or a ~~medical~~ cannabinoid product.

(b) Except for the use of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products by a patient enrolled in the patient registry program under section 342.52, the vaporizing or smoking of cannabis flower, cannabis products, artificially derived cannabinoids, or hemp-derived consumer products is prohibited in a multifamily housing building, including balconies and patios appurtenant thereto. A violation of this paragraph is punishable through a civil administrative fine in an amount of \$250.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 86. Minnesota Statutes 2023 Supplement, section 342.56, subdivision 2, is amended to read:

Subd. 2. **Health care facilities.** (a) Health care facilities licensed under chapter 144A; hospice providers licensed under chapter 144A; boarding care homes or supervised living facilities licensed under section 144.50; assisted living facilities under chapter 144G; facilities owned, controlled, managed, or under common control with hospitals licensed under chapter 144; and other health care facilities licensed by the commissioner of health or the commissioner of human services may adopt reasonable restrictions on the use of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products by a patient enrolled in the registry program who resides at or is actively receiving treatment or care at the facility. The restrictions may include a provision that the facility must not store or maintain a patient's supply of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products on behalf of the patient; that a patient store the patient's supply of ~~medical~~ cannabis flower or medicinal cannabinoid products in a locked container accessible only to the patient, the patient's designated caregiver, or the patient's parent, legal guardian, or spouse; that the facility is not responsible for providing medical cannabis for patients; and that ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products are used only in a location specified by the facility or provider. Nothing in this subdivision requires facilities and providers listed in this subdivision to adopt such restrictions.

(b) No facility or provider listed in this subdivision may unreasonably limit a patient's access to or use of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products to the extent that such use is authorized under sections ~~342.47~~ 342.51 to 342.59. No facility or provider listed in this subdivision may prohibit a patient access to or use of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products due solely to the fact that cannabis is a Schedule I drug pursuant to the federal Uniform Controlled Substances Act. If a federal regulatory agency,

82.1 the United States Department of Justice, or the federal Centers for Medicare and Medicaid
82.2 Services takes one of the following actions, a facility or provider may suspend compliance
82.3 with this paragraph until the regulatory agency, the United States Department of Justice, or
82.4 the federal Centers for Medicare and Medicaid Services notifies the facility or provider that
82.5 it may resume permitting the use of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products
82.6 within the facility or in the provider's service setting:

82.7 (1) a federal regulatory agency or the United States Department of Justice initiates
82.8 enforcement action against a facility or provider related to the facility's compliance with
82.9 the medical cannabis program; or

82.10 (2) a federal regulatory agency, the United States Department of Justice, or the federal
82.11 Centers for Medicare and Medicaid Services issues a rule or otherwise provides notification
82.12 to the facility or provider that expressly prohibits the use of medical cannabis in health care
82.13 facilities or otherwise prohibits compliance with the medical cannabis program.

82.14 (c) An employee or agent of a facility or provider listed in this subdivision or a person
82.15 licensed under chapter 144E is not violating this chapter or chapter 152 for the possession
82.16 of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products while carrying out employment
82.17 duties, including providing or supervising care to a patient enrolled in the registry program,
82.18 or distribution of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products to a patient
82.19 enrolled in the registry program who resides at or is actively receiving treatment or care at
82.20 the facility or from the provider with which the employee or agent is affiliated.

82.21 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
82.22 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
82.23 is later.

82.24 Sec. 87. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 1, is amended
82.25 to read:

82.26 Subdivision 1. **Presumption.** There is a presumption that a patient or other person
82.27 enrolled in the registry program is engaged in the authorized use or possession of ~~medical~~
82.28 ~~cannabis flower and medical cannabinoid products.~~ This presumption may be rebutted by
82.29 ~~evidence that the patient's use of medical cannabis flower or medical cannabinoid products~~
82.30 use or possession of cannabis flower or cannabinoid products by a patient or other person
82.31 enrolled in the registry program was not for the purpose of assisting with, treating, or
82.32 alleviating the patient's or other person's qualifying medical condition or symptoms associated
82.33 with the patient's or other person's qualifying medical condition.

83.1 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
83.2 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
83.3 is later.

83.4 Sec. 88. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 2, is amended
83.5 to read:

83.6 Subd. 2. **Criminal and civil protections.** (a) Subject to section 342.56, the use or
83.7 possession of cannabis flower, cannabinoid products, or cannabis paraphernalia by the
83.8 following are persons is not violations a violation of this chapter ~~or chapter 152~~:

83.9 (1) ~~use or possession of medical cannabis flower, medical cannabinoid products, or~~
83.10 ~~medical cannabis paraphernalia~~ by a patient or person enrolled in the registry program or
83.11 by a visiting patient to whom ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products are
83.12 distributed under section 342.51, subdivision 5;

83.13 (2) ~~possession of medical cannabis flower, medical cannabinoid products, or medical~~
83.14 ~~cannabis paraphernalia~~ by a registered designated caregiver or a parent, legal guardian, or
83.15 spouse of a patient or person enrolled in the registry program; or

83.16 (3) ~~possession of medical cannabis flower, medical cannabinoid products, or medical~~
83.17 ~~cannabis paraphernalia~~ by any person while that person is carrying out duties required under
83.18 sections ~~342.47~~ 342.51 to 342.60.

83.19 (b) The office ~~of Cannabis Management~~, members of the Cannabis Advisory Council,
83.20 ~~office of Cannabis Management~~ employees, agents or contractors of the office ~~of Cannabis~~
83.21 ~~Management~~, and health care practitioners participating in the registry program are not
83.22 subject to any civil penalties or disciplinary action by the Board of Medical Practice, the
83.23 Board of Nursing, or any business, occupational, or professional licensing board or entity
83.24 solely for participating in the registry program either in a professional capacity or as a
83.25 patient. ~~A pharmacist licensed under chapter 151 is not subject to any civil penalties or~~
83.26 ~~disciplinary action by the Board of Pharmacy when acting in accordance with sections~~
83.27 ~~342.47 to 342.60 either in a professional capacity or as a patient.~~ Nothing in this section
83.28 prohibits a professional licensing board from taking action in response to a violation of law.

83.29 (c) Notwithstanding any law to the contrary, a Cannabis Advisory Council member, the
83.30 governor, or an employee of a state agency must not be held civilly or criminally liable for
83.31 any injury, loss of property, personal injury, or death caused by any act or omission while
83.32 acting within the scope of office or employment under sections ~~342.47~~ 342.51 to 342.60.

84.1 (d) Federal, state, and local law enforcement authorities are prohibited from accessing
84.2 the registry except when acting pursuant to a valid search warrant. Notwithstanding section
84.3 13.09, a violation of this paragraph is a gross misdemeanor.

84.4 (e) Notwithstanding any law to the contrary, the office and employees of the office must
84.5 not release data or information about an individual contained in any report or document or
84.6 in the registry and must not release data or information obtained about a patient enrolled in
84.7 the registry program, except as provided in sections ~~342.47~~ 342.51 to 342.60.
84.8 Notwithstanding section 13.09, a violation of this paragraph is a gross misdemeanor.

84.9 (f) No information contained in a report or document, contained in the registry, or
84.10 obtained from a patient under sections ~~342.47~~ 342.51 to 342.60 may be admitted as evidence
84.11 in a criminal proceeding, unless:

84.12 (1) the information is independently obtained; or

84.13 (2) admission of the information is sought in a criminal proceeding involving a criminal
84.14 violation of sections ~~342.47~~ 342.51 to 342.60.

84.15 (g) Possession of a registry verification or an application for enrollment in the registry
84.16 program:

84.17 (1) does not constitute probable cause or reasonable suspicion;

84.18 (2) must not be used to support a search of the person or property of the person with a
84.19 registry verification or application to enroll in the registry program; and

84.20 (3) must not subject the person or the property of the person to inspection by any
84.21 government agency.

84.22 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
84.23 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
84.24 is later.

84.25 Sec. 89. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 3, is amended
84.26 to read:

84.27 Subd. 3. **School enrollment; rental property.** (a) No school may refuse to enroll or
84.28 otherwise penalize a patient or person enrolled in the registry program as a pupil ~~or otherwise~~
84.29 ~~penalize a patient~~ solely because the patient or person is enrolled in the registry program,
84.30 unless failing to do so would violate federal law or regulations or cause the school to lose
84.31 a monetary or licensing-related benefit under federal law or regulations.

85.1 (b) No landlord may refuse to lease to a patient or person enrolled in the registry program
85.2 or otherwise penalize a patient or person enrolled in the registry program solely because
85.3 the patient or person is enrolled in the registry program, unless failing to do so would violate
85.4 federal law or regulations or cause the landlord to lose a monetary or licensing-related
85.5 benefit under federal law or regulations.

85.6 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
85.7 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
85.8 is later.

85.9 Sec. 90. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 4, is amended
85.10 to read:

85.11 Subd. 4. **Medical care.** For purposes of medical care, including organ transplants, a
85.12 patient's use of ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products according to
85.13 sections ~~342.47~~ 342.51 to 342.60 is considered the equivalent of the authorized use of a
85.14 medication used at the discretion of a health care practitioner and does not disqualify a
85.15 patient from needed medical care.

85.16 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
85.17 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
85.18 is later.

85.19 Sec. 91. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 5, is amended
85.20 to read:

85.21 Subd. 5. **Employment.** (a) Unless a failure to do so would violate federal or state law
85.22 or regulations or cause an employer to lose a monetary or licensing-related benefit under
85.23 federal law or regulations, an employer may not discriminate against a person in hiring,
85.24 termination, or any term or condition of employment, or otherwise penalize a person, if the
85.25 discrimination is based on:

85.26 (1) the person's status as a patient or person enrolled in the registry program; or

85.27 (2) a patient's positive drug test for cannabis components or metabolites, unless the
85.28 patient used, possessed, sold, transported, or was impaired by ~~medical~~ cannabis flower or
85.29 a ~~medical~~ cannabinoid product on work premises, during working hours, or while operating
85.30 an employer's machinery, vehicle, or equipment.

(b) An employee who is a patient and whose employer requires the employee to undergo drug testing according to section 181.953 may present the employee's registry verification as part of the employee's explanation under section 181.953, subdivision 6.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 92. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 6, is amended to read:

Subd. 6. **Custody; visitation; parenting time.** A person must not be denied custody of a minor child or visitation rights or parenting time with a minor child based solely on the person's status as a patient or person enrolled in the registry program. There must be no presumption of neglect or child endangerment for conduct allowed under sections ~~342.47~~ 342.51 to 342.60, unless the person's behavior creates an unreasonable danger to the safety of the minor as established by clear and convincing evidence.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

Sec. 93. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 7, is amended to read:

Subd. 7. **Action for damages.** In addition to any other remedy provided by law, a patient or person enrolled in the registry program may bring an action for damages against any person who violates subdivision 3, 4, or 5. A person who violates subdivision 3, 4, or 5 is liable to a patient or person enrolled in the registry program injured by the violation for the greater of the person's actual damages or a civil penalty of \$100 and reasonable attorney fees.

EFFECTIVE DATE. This section is effective March 1, 2025, or upon the adoption of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

87.1 Sec. 94. Minnesota Statutes 2023 Supplement, section 342.58, is amended to read:

87.2 **342.58 VIOLATION BY HEALTH CARE PRACTITIONER; CRIMINAL**
87.3 **PENALTY.**

87.4 A health care practitioner who knowingly refers patients to a medical cannabis business
87.5 or to a designated caregiver, who advertises as a retailer or producer of ~~medical~~ cannabis
87.6 flower or ~~medical~~ cannabinoid products, or who issues certifications while holding a financial
87.7 interest in a cannabis retailer or medical cannabis business is guilty of a misdemeanor and
87.8 may be sentenced to imprisonment for not more than 90 days or to payment of not more
87.9 than \$1,000, or both.

87.10 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
87.11 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
87.12 is later.

87.13 Sec. 95. Minnesota Statutes 2023 Supplement, section 342.60, is amended to read:

87.14 **342.60 APPLIED RESEARCH.**

87.15 ~~The Division of Medical Cannabis~~ office may conduct, or award grants to health care
87.16 providers or research organizations to conduct, applied research on the safety and efficacy
87.17 of using ~~medical~~ cannabis flower or ~~medical~~ cannabinoid products to treat a specific health
87.18 condition. A health care provider or research organization receiving a grant under this section
87.19 must provide the office with access to all data collected in applied research funded under
87.20 this section. The office may use data from applied research conducted or funded under this
87.21 section as evidence to approve additional qualifying medical conditions ~~or additional~~
87.22 ~~allowable forms of medical cannabis.~~

87.23 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
87.24 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
87.25 is later.

87.26 Sec. 96. Minnesota Statutes 2023 Supplement, section 342.61, subdivision 4, is amended
87.27 to read:

87.28 Subd. 4. **Testing of samples; disclosures.** (a) On a schedule determined by the office,
87.29 every cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
87.30 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
87.31 hemp edible manufacturer, ~~medical cannabis cultivator, medical cannabis processor, or~~
87.32 medical cannabis combination business shall make each batch of cannabis flower, cannabis

products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products grown, manufactured, or imported by the cannabis business or hemp business available to a cannabis testing facility.

(b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, ~~medical cannabis cultivator, medical cannabis processor,~~ or medical cannabis combination business must disclose all known information regarding pesticides, fertilizers, solvents, or other foreign materials, including but not limited to catalysts used in creating artificially derived cannabinoids, applied or added to the batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products subject to testing. Disclosure must be made to the cannabis testing facility and must include information about all applications by any person, whether intentional or accidental.

(c) The cannabis testing facility shall select one or more representative samples from each batch, test the samples for the presence of contaminants, and test the samples for potency and homogeneity and to allow the cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product to be accurately labeled with its cannabinoid profile. Testing for contaminants must include testing for residual solvents, foreign material, microbiological contaminants, heavy metals, pesticide residue, mycotoxins, and any items identified pursuant to paragraph (b), and may include testing for other contaminants. A cannabis testing facility must destroy or return to the cannabis business or hemp business any part of the sample that remains after testing.

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

Sec. 97. Minnesota Statutes 2023 Supplement, section 342.61, subdivision 5, is amended to read:

Subd. 5. **Test results.** (a) If a sample meets the applicable testing standards, a cannabis testing facility shall issue a certification to a cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, ~~medical cannabis cultivator, medical cannabis processor,~~ or medical cannabis combination business and the cannabis business or hemp business may then sell or transfer the batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products from which the sample was taken to another cannabis business or hemp business, or offer the cannabis flower, cannabis products, lower-potency

89.1 hemp edibles, or hemp-derived consumer products for sale to customers or patients. If a
89.2 sample does not meet the applicable testing standards or if the testing facility is unable to
89.3 test for a substance identified pursuant to subdivision 4, paragraph (b), the batch from which
89.4 the sample was taken shall be subject to procedures established by the office for such batches,
89.5 including destruction, remediation, or retesting.

89.6 (b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
89.7 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
89.8 hemp edible manufacturer, ~~medical cannabis cultivator, medical cannabis processor,~~ or
89.9 medical cannabis combination business must maintain the test results for cannabis flower,
89.10 cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or
89.11 hemp-derived consumer products grown, manufactured, or imported by that cannabis
89.12 business or hemp business for at least five years after the date of testing.

89.13 (c) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis
89.14 manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency
89.15 hemp edible manufacturer, ~~medical cannabis cultivator, medical cannabis processor,~~ or
89.16 medical cannabis combination business shall make test results maintained by that cannabis
89.17 business or hemp business available for review by any member of the public, upon request.
89.18 Test results made available to the public must be in plain language.

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

89.20 Sec. 98. Minnesota Statutes 2023 Supplement, section 342.63, subdivision 2, is amended
89.21 to read:

89.22 Subd. 2. **Content of label; cannabis.** All cannabis flower and hemp-derived consumer
89.23 products that consist of hemp plant parts sold to customers or patients must have affixed
89.24 on the packaging or container of the cannabis flower or hemp-derived consumer product a
89.25 label that contains at least the following information:

89.26 (1) the name and license number of the cannabis microbusiness, cannabis mezzobusiness,
89.27 cannabis cultivator, ~~medical cannabis cultivator,~~ or industrial hemp grower where the
89.28 cannabis flower or hemp plant part was cultivated;

89.29 (2) the net weight or volume of cannabis flower or hemp plant parts in the package or
89.30 container;

89.31 (3) the batch number;

89.32 (4) the cannabinoid profile;

(5) a universal symbol established by the office indicating that the package or container contains cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(6) verification that the cannabis flower or hemp plant part was tested according to section 342.61 and that the cannabis flower or hemp plant part complies with the applicable standards;

~~(7) the maximum dose, quantity, or consumption that may be considered medically safe within a 24-hour period;~~

(7) information on the usage of the cannabis flower or hemp-derived consumer product;

(8) the following statement: "Keep this product out of reach of children."; and

(9) any other statements or information required by the office.

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

Sec. 99. Minnesota Statutes 2023 Supplement, section 342.63, subdivision 3, is amended to read:

Subd. 3. **Content of label; cannabinoid products.** (a) All cannabis products, lower-potency hemp edibles, hemp-derived consumer products other than products subject to the requirements under subdivision 2, ~~medical~~ cannabinoid products, and hemp-derived topical products sold to customers or patients must have affixed to the packaging or container of the cannabis product a label that contains at least the following information:

(1) the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, ~~medical cannabis cultivator~~, or industrial hemp grower that cultivated the cannabis flower or hemp plant parts used in the cannabis product, lower-potency hemp edible, hemp-derived consumer product, or ~~medical~~ cannabinoid product;

(2) the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, lower-potency hemp edible manufacturer, ~~medical cannabis processor~~, or industrial hemp grower that manufactured the cannabis concentrate, hemp concentrate, or artificially derived cannabinoid and, if different, the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, or lower-potency hemp edible manufacturer, ~~or medical cannabis processor~~ that manufactured the product;

(3) the net weight or volume of the cannabis product, lower-potency hemp edible, or hemp-derived consumer product in the package or container;

- 91.1 (4) the type of cannabis product, lower-potency hemp edible, or hemp-derived consumer
91.2 product;
- 91.3 (5) the batch number;
- 91.4 (6) the serving size;
- 91.5 (7) the cannabinoid profile per serving and in total;
- 91.6 (8) a list of ingredients;
- 91.7 (9) a universal symbol established by the office indicating that the package or container
91.8 contains cannabis flower, a cannabis product, a lower-potency hemp edible, or a
91.9 hemp-derived consumer product;
- 91.10 (10) a warning symbol developed by the office in consultation with the commissioner
91.11 of health and the Minnesota Poison Control System that:
- 91.12 (i) is at least three-quarters of an inch tall and six-tenths of an inch wide;
- 91.13 (ii) is in a highly visible color;
- 91.14 (iii) includes a visual element that is commonly understood to mean a person should
91.15 stop;
- 91.16 (iv) indicates that the product is not for children; and
- 91.17 (v) includes the phone number of the Minnesota Poison Control System;
- 91.18 (11) verification that the cannabis product, lower-potency hemp edible, hemp-derived
91.19 consumer product, or ~~medical~~ cannabinoid product was tested according to section 342.61
91.20 and that the cannabis product, lower-potency hemp edible, hemp-derived consumer product,
91.21 or ~~medical~~ cannabinoid product complies with the applicable standards;
- 91.22 ~~(12) the maximum dose, quantity, or consumption that may be considered medically~~
91.23 ~~safe within a 24-hour period;~~
- 91.24 (12) information on the usage of the product;
- 91.25 (13) the following statement: "Keep this product out of reach of children."; and
- 91.26 (14) any other statements or information required by the office.
- 91.27 (b) The office may by rule establish alternative labeling requirements for lower-potency
91.28 hemp edibles that are imported into the state provided that those requirements provide
91.29 consumers with information that is substantially similar to the information described in
91.30 paragraph (a).

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

92.2 Sec. 100. Minnesota Statutes 2023 Supplement, section 342.63, subdivision 4, is amended
92.3 to read:

92.4 Subd. 4. **Additional content of label; ~~medical~~ cannabis flower and ~~medical~~**
92.5 **cannabinoid products.** In addition to the applicable requirements for labeling under
92.6 subdivision 2 or 3, all ~~medical~~ cannabis flower sold to patients and ~~medical~~ cannabinoid
92.7 products sold to patients must include at least the following information on the label affixed
92.8 to the packaging or container of the ~~medical~~ cannabis flower or ~~medical~~ cannabinoid product:

92.9 (1) the patient's name and date of birth;

92.10 (2) the name and date of birth of the patient's registered designated caregiver or, if listed
92.11 on the registry verification, the name of the patient's parent, legal guardian, or spouse, if
92.12 applicable; and

92.13 (3) the patient's registry identification number.

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

92.15 Sec. 101. Minnesota Statutes 2023 Supplement, section 342.63, subdivision 6, is amended
92.16 to read:

92.17 Subd. 6. **Additional information.** (a) A cannabis microbusiness, cannabis mezzobusiness,
92.18 cannabis retailer, ~~medical cannabis retailer~~, or medical cannabis combination business must
92.19 provide customers and patients with the following information:

92.20 (1) factual information about impairment effects and the expected timing of impairment
92.21 effects, side effects, adverse effects, and health risks of cannabis flower, cannabis products,
92.22 lower-potency hemp edibles, and hemp-derived consumer products;

92.23 (2) a statement that customers and patients must not operate a motor vehicle or heavy
92.24 machinery while under the influence of cannabis flower, cannabis products, lower-potency
92.25 hemp edibles, and hemp-derived consumer products;

92.26 (3) resources customers and patients may consult to answer questions about cannabis
92.27 flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
92.28 products, and any side effects and adverse effects;

92.29 (4) contact information for the poison control center and a safety hotline or website for
92.30 customers to report and obtain advice about side effects and adverse effects of cannabis

93.1 flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer
93.2 products;

93.3 (5) substance use disorder treatment options; and

93.4 (6) any other information specified by the office.

93.5 (b) A cannabis microbusiness, cannabis mezzobusiness, or cannabis retailer, ~~or medical~~
93.6 ~~cannabis retailer~~ may include the information described in paragraph (a) on the label affixed
93.7 to the packaging or container of cannabis flower, cannabis products, lower-potency hemp
93.8 edibles, and hemp-derived consumer products by:

93.9 (1) posting the information in the premises of the cannabis microbusiness, cannabis
93.10 mezzobusiness, cannabis retailer, ~~medical cannabis retailer~~, or medical cannabis combination
93.11 business; or

93.12 (2) providing the information on a separate document or pamphlet provided to customers
93.13 or patients when the customer purchases cannabis flower, a cannabis product, a lower-potency
93.14 hemp edible, or a hemp-derived consumer product.

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

93.16 Sec. 102. Laws 2023, chapter 63, article 1, section 2, the effective date, is amended to
93.17 read:

93.18 **EFFECTIVE DATE.** This section is effective July 1, 2023, ~~except for subdivision 3,~~
93.19 ~~which is effective March 1, 2025.~~

93.20 Sec. 103. Laws 2023, chapter 63, article 1, section 51, the effective date, is amended to
93.21 read:

93.22 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
93.23 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
93.24 is later.

93.25 Sec. 104. Laws 2023, chapter 63, article 1, section 52, the effective date, is amended to
93.26 read:

93.27 **EFFECTIVE DATE.** This section is effective ~~March 1, 2025~~ the day following final
93.28 enactment.

94.1 Sec. 105. Laws 2023, chapter 63, article 1, section 53, the effective date, is amended to
94.2 read:

94.3 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
94.4 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
94.5 is later.

94.6 Sec. 106. Laws 2023, chapter 63, article 1, section 54, the effective date, is amended to
94.7 read:

94.8 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
94.9 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
94.10 is later.

94.11 Sec. 107. Laws 2023, chapter 63, article 1, section 55, the effective date, is amended to
94.12 read:

94.13 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
94.14 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
94.15 is later.

94.16 Sec. 108. Laws 2023, chapter 63, article 1, section 56, the effective date, is amended to
94.17 read:

94.18 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
94.19 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
94.20 is later.

94.21 Sec. 109. Laws 2023, chapter 63, article 1, section 57, the effective date, is amended to
94.22 read:

94.23 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
94.24 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
94.25 is later.

94.26 Sec. 110. Laws 2023, chapter 63, article 1, section 58, the effective date, is amended to
94.27 read:

94.28 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
94.29 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
94.30 is later.

95.1 Sec. 111. Laws 2023, chapter 63, article 1, section 59, the effective date, is amended to
95.2 read:

95.3 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
95.4 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
95.5 is later.

95.6 Sec. 112. Laws 2023, chapter 63, article 1, section 61, the effective date, is amended to
95.7 read:

95.8 **EFFECTIVE DATE.** This section is effective March 1, 2025, or upon the adoption of
95.9 initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
95.10 is later.

95.11 Sec. 113. Laws 2023, chapter 63, article 6, section 73, the effective date, is amended to
95.12 read:

95.13 **EFFECTIVE DATE.** Paragraph (a) is effective March 1, 2025, or upon the adoption
95.14 of initial rules pertaining to medical cannabis under section 342.02, subdivision 5, whichever
95.15 is later. Paragraph (b) is effective August 1, 2023. Paragraph (c) is effective July 1, 2023.

95.16 Sec. 114. **EMPLOYEE TRANSFER.**

95.17 (a) The powers and duties of the Department of Health with respect to the sale of certain
95.18 cannabinoid products under Minnesota Statutes, section 151.72, are transferred to the Office
95.19 of Cannabis Management under Minnesota Statutes, section 15.039.

95.20 (b) The following protections shall apply to employees who are transferred from the
95.21 Department of Health to the Office of Cannabis Management:

95.22 (1) the employment status and job classification of a transferred employee shall not be
95.23 altered as a result of the transfer;

95.24 (2) transferred employees who were represented by an exclusive representative prior to
95.25 the transfer shall continue to be represented by the same exclusive representative after the
95.26 transfer;

95.27 (3) the applicable collective bargaining agreements with exclusive representatives shall
95.28 continue in full force and effect for such transferred employees after the transfer;

95.29 (4) the state must meet and negotiate with the exclusive representatives of the transferred
95.30 employees about any proposed changes affecting or relating to the transferred employees'

96.1 terms and conditions of employment to the extent such changes are not addressed in the
96.2 applicable collective bargaining agreement; and

96.3 (5) for an employee in a temporary unclassified position transferred to the Office of
96.4 Cannabis Management, the total length of time that the employee has served in the
96.5 appointment shall include all time served in the appointment at the transferring agency and
96.6 the time served in the appointment at the Office of Cannabis Management. An employee
96.7 in a temporary unclassified position who was hired by a transferring agency through an
96.8 open competitive selection process in accordance with a policy enacted by Minnesota
96.9 Management and Budget shall be considered to have been hired through such process after
96.10 the transfer.

96.11 **Sec. 115. TRANSFER OF ACTIVE AND INACTIVE COMPLAINTS.**

96.12 The Department of Health shall transfer all data, including not public data as defined in
96.13 Minnesota Statutes, section 13.02, subdivision 8a, on active complaints and inactive
96.14 complaints involving alleged violations of Minnesota Statutes 2022, section 151.72, as well
96.15 as registration data collected under Minnesota Statutes 2022, section 151.72, subdivision
96.16 5b, to the Office of Cannabis Management. The Department of Health and the Office of
96.17 Cannabis Management shall ensure that the transfer takes place in a manner and on a schedule
96.18 that prioritizes public health.

96.19 **Sec. 116. REPEALER.**

96.20 (a) Minnesota Statutes 2023 Supplement, sections 342.01, subdivisions 28, 52, 53, 54,
96.21 and 55; 342.18, subdivision 1; 342.27, subdivision 13; and 342.29, subdivision 9, are
96.22 repealed.

96.23 (b) Minnesota Statutes 2023 Supplement, sections 342.47; 342.48; 342.49; 342.50; and
96.24 342.52, subdivision 8, are repealed.

96.25 (c) Laws 2023, chapter 63, article 7, sections 4; and 6, are repealed.

96.26 **EFFECTIVE DATE.** Paragraphs (a) and (c) are effective the day following final
96.27 enactment. Paragraph (b) is effective March 1, 2025, or upon the adoption of initial rules
96.28 pertaining to medical cannabis under section 342.02, subdivision 5, whichever is later.

342.01 DEFINITIONS.

Subd. 28. **Division of Medical Cannabis.** "Division of Medical Cannabis" means a division housed in the Office of Cannabis Management that operates the medical cannabis program.

Subd. 52. **Medical cannabinoid product.** (a) "Medical cannabinoid product" means a product that:

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

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

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

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

(2) pill;

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

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

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

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

(7) topical formulation; or

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

(c) Medical cannabinoid product does not include adult-use cannabis products or hemp-derived consumer products.

Subd. 53. **Medical cannabis business.** "Medical cannabis business" means an entity licensed under this chapter to engage in one or more of the following:

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

(2) the manufacture of medical cannabinoid products; and

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

Subd. 54. **Medical cannabis flower.** "Medical cannabis flower" means cannabis flower provided to a patient enrolled in the registry program; a registered designated caregiver; or a parent, legal guardian, or spouse of an enrolled patient by a cannabis retailer or medical cannabis business to treat or alleviate the symptoms of a qualifying medical condition. Medical cannabis flower does not include adult-use cannabis flower.

Subd. 55. **Medical cannabis paraphernalia.** "Medical cannabis paraphernalia" means a delivery device, related supply, or educational material used by a patient enrolled in the registry program to administer medical cannabis and medical cannabinoid products.

342.18 LICENSE SELECTION CRITERIA.

Subdivision 1. **Market stability.** The office shall issue the necessary number of licenses in order to ensure the sufficient supply of cannabis flower and cannabis products to meet demand, provide market stability, ensure a competitive market, and limit the sale of unregulated cannabis flower and cannabis products.

342.27 RETAIL SALE OF CANNABIS FLOWER AND PRODUCTS; GENERAL REQUIREMENTS.

Subd. 13. **Adult-use and medical cannabis; colocation.** (a) A cannabis business with a license or endorsement authorizing the retail sale of adult-use cannabis flower or adult-use cannabis products that is also a licensed medical cannabis retailer may sell medical cannabis flower and medical cannabinoid products on a portion of the business's premises.

(b) The premises must provide an appropriate space for a pharmacist employee of the medical cannabis retailer to consult with a patient to determine the proper type of medical cannabis flower and medical cannabinoid products and proper dosage for the patient.

342.29 CANNABIS MEZZOBUSINESS LICENSING AND OPERATIONS.

Subd. 9. **Medical cannabis endorsement.** A cannabis mezzobusiness that cultivates cannabis plants for use as medical cannabis flower or for use in medical cannabinoid products, processes medical cannabinoid products, or both, must comply with sections 342.49, paragraph (d); 342.50, paragraph (c), and any additional requirements established by the office.

342.47 MEDICAL CANNABIS BUSINESS LICENSES.

Subdivision 1. **License types.** (a) The office shall issue the following types of medical cannabis business licenses:

- (1) medical cannabis cultivator;
- (2) medical cannabis processor;
- (3) medical cannabis retailer; and
- (4) medical cannabis combination business license.

(b) The Division of Medical Cannabis may oversee the licensing and regulation of medical cannabis businesses.

Subd. 2. **Multiple licenses; limits.** (a) Except as provided in subdivision 3, a person, cooperative, or business holding:

(1) a medical cannabis cultivator license may also hold a medical cannabis processor license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses;

(2) a medical cannabis processor license may also hold a medical cannabis cultivator license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses; or

(3) a medical cannabis retailer license may also hold a cannabis mezzobusiness license, a cannabis retailer license, a cannabis delivery service license, and a cannabis event organizer license subject to the ownership limitations that apply to those licenses.

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

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

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

Subd. 3. **Medical cannabis combination business license.** (a) A person, cooperative, or business holding a medical cannabis combination license is prohibited from owning or operating any other cannabis business or hemp business.

(b) A person or business may only hold one medical cannabis combination license.

342.48 MEDICAL CANNABIS BUSINESS APPLICATIONS.

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

(1) for medical cannabis cultivator license applicants:

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

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(ii) a cultivation plan demonstrating the proposed size and layout of the cultivation facility that will be used exclusively for cultivation for medical cannabis, including the total amount of plant canopy; and

(iii) evidence that the business will comply with the applicable operation requirements for the license being sought;

(2) for medical cannabis processor license applicants:

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

(ii) all methods of extraction and concentration that the applicant intends to use and the volatile chemicals, if any, that are involved in extraction or concentration;

(iii) if the applicant is seeking an endorsement to manufacture products infused with cannabinoids for consumption by patients enrolled in the registry program, proof of an edible cannabinoid product handler endorsement from the office; and

(iv) evidence that the applicant will comply with the applicable operation requirements for the license being sought;

(3) for medical cannabis retailer license applicants:

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

(ii) an operating plan demonstrating the proposed layout of the facility, including a diagram of ventilation and filtration systems, policies to avoid sales to individuals who are not authorized to receive the distribution of medical cannabis flower or medical cannabinoid products, identification of a restricted area for storage, and plans to prevent the visibility of cannabis flower and cannabinoid products; and

(iii) evidence that the applicant will comply with the applicable operation requirements for the license being sought; or

(4) for medical cannabis combination license applicants:

(i) the information required under clauses (1) to (3); and

(ii) any additional information required under sections 342.30, subdivision 3; 342.31, subdivision 3; and 342.32, subdivision 3.

342.49 MEDICAL CANNABIS CULTIVATORS.

(a) A medical cannabis cultivator license entitles the license holder to grow cannabis plants within the approved amount of space up to 60,000 square feet of plant canopy from seed or immature plant to mature plant, harvest cannabis flower from a mature plant, package and label cannabis flower as medical cannabis flower, sell medical cannabis flower to medical cannabis processors and medical cannabis retailers, transport medical cannabis flower to a medical cannabis processor located on the same premises, and perform other actions approved by the office.

(b) A medical cannabis cultivator license holder must comply with all requirements of section 342.25.

(c) A medical cannabis cultivator license holder must verify that every batch of medical cannabis flower has passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabis flower before the medical cannabis cultivator may package, label, or sell the medical cannabis flower to any other entity.

(d) A medical cannabis cultivator may exceed the limit of 60,000 square feet of plant canopy if it was legally cultivating medical cannabis with a greater plant canopy as of April 1, 2023.

342.50 MEDICAL CANNABIS PROCESSORS.

(a) A medical cannabis processor license, consistent with the specific license endorsement or endorsements, entitles the license holder to:

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- (1) purchase medical cannabis flower, medical cannabinoid products, hemp plant parts, and hemp concentrate from medical cannabis cultivators and other medical cannabis processors;
- (2) purchase hemp plant parts from industrial hemp growers;
- (3) make cannabis concentrate from medical cannabis flower;
- (4) make hemp concentrate, including hemp concentrate with a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent as measured by weight;
- (5) manufacture medical cannabinoid products;
- (6) package and label medical cannabinoid products for sale to other medical cannabis processors and to medical cannabis retailers; and
- (7) perform other actions approved by the office.

(b) A medical cannabis processor license holder must comply with all requirements of section 342.26, including requirements to obtain specific license endorsements.

(c) A medical cannabis processor license holder must verify that every batch of medical cannabinoid product has passed safety, potency, and consistency testing at a cannabis testing facility approved by the office for the testing of medical cannabinoid products before the medical cannabis processor may package, label, or sell the medical cannabinoid product to any other entity.

342.52 PATIENT REGISTRY PROGRAM.

Subd. 8. **Allowable delivery methods.** A patient in the registry program may receive medical cannabis flower and medical cannabinoid products. The office may approve additional delivery methods to expand the types of products that qualify as medical cannabinoid products.

Laws 2023, chapter 63, article 7, section 4

Sec. 4. **EDIBLE CANNABINOID PRODUCTS; ENFORCEMENT.**

(a) The Department of Health shall enforce the provisions of Minnesota Statutes, section 151.72, and all rules, orders, stipulation agreements, settlements, compliance agreements, and registrations related to that section adopted or issued by the Office of Medical Cannabis or the Department of Health pursuant to the Health Enforcement Consolidation Act of 1993 contained in Minnesota Statutes, sections 144.989 to 144.993, and the authority to embargo products described in paragraph (b). The commissioner of health may assign enforcement responsibilities to the Office of Medical Cannabis.

(b) Whenever a duly authorized agent of the Department of Health finds or has probable cause to believe that any product is being sold in violation of the provisions of Minnesota Statutes, section 151.72, the agent shall affix thereto an appropriate marking, giving notice that the article is, or is suspected of being in violation of Minnesota Statutes, section 151.72, has been embargoed, and warning that it is unlawful for any person to remove or dispose of the embargoed article by sale or otherwise without permission from the agent or the court. When an agent of the Department of Health has embargoed an article, the Department of Health shall, within 30 days, petition the district court in whose jurisdiction the article is embargoed for an order of condemnation. When an embargoed article is not so found by the agent, the agent shall remove the marking. If the court finds that an embargoed article is being sold in violation of the provisions of Minnesota Statutes, section 151.72, the article shall be destroyed at the expense of the claimant thereof, who shall also pay all court costs and fees, storage, and other proper expenses. If the violation can be corrected by proper labeling or processing of the article, or by filing the proper documents with the court, the court, after the costs, fees, and expenses have been paid and a sufficient bond has been executed, may order that the article be delivered to the claimant for labeling, processing, or filing under supervision of an agent of the board. The expense of the supervision shall be paid by the claimant. The bond shall be returned to the claimant on the representation to the court by the board that the article is no longer in violation of this chapter and that the expenses of supervision have been paid.

(c) The enforcement authority under paragraphs (a) and (b) shall transfer to the Office of Cannabis Management at any such time that the powers and duties of the Department of Health with respect to the medical cannabis program under Minnesota Statutes, sections 152.22 to 152.37, are transferred to the Office of Cannabis Management. The director of the Office of Cannabis Management may assign enforcement responsibilities to the Division of Medical Cannabis.

(d) This section shall expire on March 1, 2025.

EFFECTIVE DATE. This section is effective the day following final enactment.
Laws 2023, chapter 63, article 7, section 6

Sec. 6. **REPEALER.**

Minnesota Statutes 2022, section 151.72, is repealed.

EFFECTIVE DATE. This section is effective March 1, 2025.