State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 4757

03/07/2024 Authored by Stephenson and Hanson, J.,
The bill was read for the first time and referred to the Committee on Commerce Finance and Policy
04/02/2024 Adoption of Report: Amended and re-referred to the Committee on State and Local Government Finance and Policy
Pursuant to Joint Rule 2.03, re-referred to the Committee on Rules and Legislative Administration
04/04/2024 Adoption of Report: Re-referred to the Committee on State and Local Government Finance and Policy
Joint Rule 2.03 has been waived for any subsequent committee action on this bill
04/08/2024 Adoption of Report: Re-referred to the Committee on Health Finance and Policy
04/11/2024 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time

A bill for an act

relating to cannabis; transferring enforcement of edible cannabinoid products to the Office of Cannabis Management; clarifying workplace testing for cannabis; making technical changes related to the taxation of cannabis and related products; replacing medical cannabis licenses with endorsements; establishing a petition process to designate cannabinoids as nonintoxicating or approved for use in lower-potency hemp edibles; authorizing lower-potency hemp edibles to contain certain artificially derived cannabinoids created in making delta-9 tetrahydrocannabinol; allowing testing of certain hemp products to be performed by labs meeting accreditation standards regardless of licensing status; authorizing patients enrolled in the registry program to obtain cannabis flower from registered designated caregivers; authorizing registered designated caregivers to cultivate cannabis plants on behalf of patients enrolled in the registry program; authorizing the Office of Cannabis Management to recall certain cannabis and related products; transferring the duties of the medical cannabis program to the Office of Cannabis Management on July 1, 2025; authorizing the appointment of deputy directors; clarifying the process for transfer of certain licenses; providing for license preapproval; removing the requirement that local governments perform certain inspections; removing the requirement that license applications be scored based on identified criteria and requiring that license applications be assessed based on certain minimum criteria; requiring employees of cannabis businesses to meet certain background check requirements; establishing social equity licenses; limiting the number of certain licenses that can be made available in an application period; providing for the conversion of a registration to sell certain hemp-derived products into a hemp business license; providing for a cannabis research license classification; authorizing the Office of Cannabis Management to adjust limits on cultivation area; permitting certain businesses to transport cannabis and related products between facilities operated by the business; replacing the prohibition on certain sales of lower-potency hemp products with a prohibition on selling to an obviously intoxicated person; providing for enforcement of unlicensed businesses engaging in activities that require a license; making technical and conforming changes; amending Minnesota Statutes 2022, sections 17.133, subdivision 1; 152.22, subdivisions 11, 14, by adding a subdivision; 152.25, subdivision 2; 152.27, subdivisions 1, 2, 3, 4, 6, by adding a subdivision; 152.28, subdivision 2; 152.29, subdivision 3; 181.950, subdivision 10; 181.952, as amended; Minnesota Statutes 2023 Supplement, sections 3.9224, subdivision 1; 151.72, subdivisions 1, 2, 3, 4, 5a, 5b, 6, 7; 152.28, subdivision 1; 152.30; 181.951, subdivisions 4, 5, 8; 181.954, subdivision 1; 342.01, subdivisions 14, 17, 19, 48, 50, 52, 54, 63, 64, 65, 66, by

adding subdivisions; 342.02, subdivisions 2, 3, 6; 342.03, subdivision 1; 342.06; 342.07, subdivision 3; 342.09, subdivision 3; 342.10; 342.11; 342.12; 342.13; 342.14; 342.15, by adding a subdivision; 342.17; 342.18, subdivisions 2, 3, by adding subdivisions; 342.19, by adding a subdivision; 342.22; 342.24, subdivisions 1, 2; 342.28, subdivision 2, by adding subdivisions; 342.29, subdivision 4, by adding a subdivision; 342.30, subdivision 4; 342.31, subdivision 4; 342.32, subdivision 4; 342.35, subdivision 1; 342.37, subdivision 1; 342.40, subdivision 7; 342.41, subdivision 3; 342.46, subdivision 8; 342.51; 342.515, subdivision 1, by adding a subdivision; 342.52, subdivisions 1, 2, 3, 4, 5, 9, 11; 342.53; 342.54; 342.55, subdivisions 1, 2; 342.56, subdivisions 1, 2; 342.57, subdivisions 1, 2, 4; 342.60; 342.61, subdivisions 1, 4, 5; 342.62, by adding a subdivision; 342.63, subdivisions 2, 3, 6; 342.64, subdivision 1; 342.73, subdivision 4; 342.80; Laws 2023, chapter 63, article 1, sections 2; 51; 52; 53; 54; 55; 56; 57; 58; 59; 61; article 6, sections 10; 73; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 152.22, subdivision 3; 152.36; Minnesota Statutes 2023 Supplement, sections 342.01, subdivision 28; 342.18, subdivision 1; 342.27, subdivision 13; 342.29, subdivision 9; 342.47; 342.48; 342.49; 342.50; Laws 2023, chapter 63, article 7, sections 4; 6.

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

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

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

(8) Lower Sioux Indian Community;

(9) Prairie Island Indian Community;

(10) Shakopee Mdewakanton Sioux Community; and

(11) Upper Sioux Indian Community.

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

(j) "Tribally regulated land" means:

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

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

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

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

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

Sec. 2. Minnesota Statutes 2022, section 17.133, subdivision 1, is amended to read:

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

(b) "Eligible farmer" means an individual who at the time that the grant is awarded:

(1) is a resident of Minnesota who intends to acquire farmland located within the state and provide the majority of the day-to-day physical labor and management of the farm;

(2) grosses no more than $250,000 per year from the sale of farm products; and

(3) has not, and whose spouse has not, at any time had a direct or indirect ownership interest in farmland.

(c) "Emerging farmer" means a farmer experiencing limited land access or limited market access.

~~(c)~~ (d) "Farm down payment" means an initial, partial payment required by a lender or seller to purchase farmland.

(e) "Limited land access" means farming (1) under a lease or other rental arrangement of no more than three years in duration when the person leasing or renting the land to the farmer is not related to the farmer by blood or marriage, or (2) by renting land from an incubator farm.

(f) "Limited market access" means the majority of a farmer's annual farm product sales are direct sales to the consumer.

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.

EFFECTIVE DATE. This section is effective July 1, 2024.

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~~ 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.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 5. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 3, is amended to read:

Subd. 3. **Sale of cannabinoids derived from hemp.** (a) Notwithstanding any other section of this chapter, a product containing nonintoxicating cannabinoids, including an edible cannabinoid product, may be sold for human or animal consumption only if all of the requirements of this section are met~~, provided that~~. A product sold for human or animal consumption ~~does~~ must not contain more than 0.3 percent of any tetrahydrocannabinol and an edible cannabinoid product ~~does~~ must not contain an amount of any tetrahydrocannabinol that exceeds the limits established in subdivision 5a, paragraph (f).

(b) A product containing nonintoxicating cannabinoids, other than an edible cannabinoid product, may be sold for human or animal consumption only if it is intended for application

externally to a part of the body of a human or animal. Such a product must not be manufactured, marketed, distributed, or intended to be consumed:

(1) by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product;

(2) through chewing, drinking, or swallowing; or

(3) through injection or application to a mucous membrane or nonintact skin.

(c) No other substance extracted or otherwise derived from hemp may be sold for human consumption if the substance is intended:

(1) for external or internal use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or other animals; or

(2) to affect the structure or any function of the bodies of humans or other animals.

(d) No product containing any cannabinoid or tetrahydrocannabinol extracted or otherwise derived from hemp may be sold to any individual who is under the age of 21.

(e) Products that meet the requirements of this section are not controlled substances under section 152.02.

(f) Products may be sold for on-site consumption ~~provided that~~ if all of the following conditions are met:

(1) the retailer must also hold an on-sale license issued under chapter 340A;

(2) products, other than products that are intended to be consumed as a beverage, must be served in original packaging, but may be removed from the products' packaging by customers and consumed on site;

(3) products must not be sold to a customer who the retailer knows or reasonably should know is intoxicated;

(4) products must not be permitted to be mixed with an alcoholic beverage; and

(5) products that have been removed from packaging must not be removed from the premises.

(g) Edible cannabinoid products that are intended to be consumed as a beverage may be served outside of the products' packaging if the information that is required to be contained on the label of an edible cannabinoid product is posted or otherwise displayed by the retailer.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 6. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 4, is amended to read:

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2024.

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

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

(b) An edible cannabinoid product must not:

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

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

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

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

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

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

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

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

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

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

(1) the serving size;

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 8. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 5b, is amended to read:

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

(a) Every person selling an edible cannabinoid product to a consumer must be registered with the office. Existing registrations through the Department of Health must be transferred to the office by July 1, 2024. All other persons required to register must register in a form

and manner established by the office. The sale of edible cannabinoid products by a person who is not registered with the office is prohibited and subject to the penalties in section 342.09, subdivision 6; any applicable criminal penalty; and any other applicable civil or administrative penalty.

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

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

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 9. Minnesota Statutes 2023 Supplement, section 151.72, subdivision 6, is amended to read:

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 10. 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.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 11. Minnesota Statutes 2022, section 152.22, subdivision 11, is amended to read:

Subd. 11. **Registered designated caregiver.** "Registered designated caregiver" means a person who:

(1) is at least 18 years old;

~~(2) does not have a conviction for a disqualifying felony offense;~~

~~(3)~~ (2) has been approved by the ~~commissioner~~ office to assist a patient who requires assistance in administering medical cannabis or obtaining medical cannabis from a distribution facility; and

~~(4)~~ (3) is authorized by the ~~commissioner~~ office to assist the patient with the use of medical cannabis.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 12. Minnesota Statutes 2022, section 152.22, subdivision 14, is amended to read:

Subd. 14. **Qualifying medical condition.** "Qualifying medical condition" means a diagnosis of any of the following conditions:

(1) Alzheimer's disease;

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

~~(1)~~ (3) cancer, if the underlying condition or treatment produces one or more of the following:

(i) severe or chronic pain;

(ii) nausea or severe vomiting; or

(iii) cachexia or severe wasting;

(4) chronic motor or vocal tic disorder;

(5) chronic pain;

~~(2)~~ (6) glaucoma;

~~(3)~~ (7) human immunodeficiency virus or acquired immune deficiency syndrome;

(8) intractable pain as defined in section 152.125, subdivision 1, paragraph (c);

(9) obstructive sleep apnea;

(10) post-traumatic stress disorder;

~~(4)~~ (11) Tourette's syndrome;

~~(5)~~ (12) amyotrophic lateral sclerosis;

~~(6)~~ (13) seizures, including those characteristic of epilepsy;

~~(7)~~ (14) severe and persistent muscle spasms, including those characteristic of multiple sclerosis;

~~(8)~~ (15) inflammatory bowel disease, including Crohn's disease;

(16) irritable bowel syndrome;

(17) obsessive-compulsive disorder;

(18) sickle cell disease;

~~(9)~~ (19) terminal illness, with a probable life expectancy of under one year, if the illness or its treatment produces one or more of the following:

(i) severe or chronic pain;

(ii) nausea or severe vomiting; or

(iii) cachexia or severe wasting; or

~~(10)~~ (20) any other medical condition ~~or its treatment approved by the commissioner.~~ that is:

(i) approved by a patient's health care practitioner; or

(ii) if the patient is a veteran receiving care from the United States Department of Veterans Affairs, certified under section 152.27, subdivision 3a.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 13. Minnesota Statutes 2022, section 152.22, is amended by adding a subdivision to read:

Subd. 19. **Veteran.** "Veteran" means an individual who satisfies the requirements in section 197.447 and is receiving care from the United States Department of Veterans Affairs.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 14. Minnesota Statutes 2022, section 152.25, subdivision 2, is amended to read:

Subd. 2. **Range of compounds and dosages; report.** The ~~commissioner~~ office shall review and publicly report the existing medical and scientific literature regarding the range of recommended dosages for each qualifying condition and the range of chemical compositions of any plant of the genus cannabis that will likely be medically beneficial for each of the qualifying medical conditions. The ~~commissioner~~ office shall make this information available to patients with qualifying medical conditions beginning December 1, 2014, and update the information ~~annually~~ every three years. The ~~commissioner~~ office may consult with the independent laboratory under contract with the manufacturer or other experts in reporting the range of recommended dosages for each qualifying medical condition, the range of chemical compositions that will likely be medically beneficial, and any risks of noncannabis drug interactions. The ~~commissioner~~ office shall consult with each manufacturer on an annual basis on medical cannabis offered by the manufacturer. The list of medical cannabis offered by a manufacturer shall be published on the ~~Department of Health~~ Office of Cannabis Management website.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 15. Minnesota Statutes 2022, section 152.27, subdivision 1, is amended to read:

Subdivision 1. **Patient registry program; establishment.** ~~(a)~~ The ~~commissioner~~ office shall establish a patient registry program to evaluate data on patient demographics, effective treatment options, clinical outcomes, and quality-of-life outcomes for the purpose of reporting on the benefits, risks, and outcomes regarding patients with a qualifying medical condition engaged in the therapeutic use of medical cannabis.

~~(b) The establishment of the registry program shall not be construed or interpreted to condone or promote the illicit recreational use of marijuana.~~

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 16. Minnesota Statutes 2022, section 152.27, subdivision 2, is amended to read:

Subd. 2. ~~**Commissioner**~~ **Office duties.** (a) The ~~commissioner~~ office shall:

(1) give notice of the program to health care practitioners in the state who are eligible to serve as health care practitioners and explain the purposes and requirements of the program;

(2) allow each health care practitioner who meets or agrees to meet the program's requirements and who requests to participate, to be included in the registry program to collect data for the patient registry;

(3) provide explanatory information and assistance to each health care practitioner in understanding the nature of therapeutic use of medical cannabis within program requirements;

(4) create and provide a certification to be used by a health care practitioner for the practitioner to certify whether a patient has been diagnosed with a qualifying medical condition ~~and include in the certification an option for the practitioner to certify whether the patient, in the health care practitioner's medical opinion, is developmentally or physically disabled and, as a result of that disability, the patient requires assistance in administering medical cannabis or obtaining medical cannabis from a distribution facility~~;

(5) supervise the participation of the health care practitioner in conducting patient treatment and health records reporting in a manner that ensures stringent security and record-keeping requirements and that prevents the unauthorized release of private data on individuals as defined by section 13.02;

(6) develop safety criteria for patients with a qualifying medical condition as a requirement of the patient's participation in the program, to prevent the patient from undertaking any task under the influence of medical cannabis that would constitute negligence or professional malpractice on the part of the patient; and

(7) conduct research and studies based on data from health records submitted to the registry program and submit reports on intermediate or final research results to the legislature and major scientific journals. The ~~commissioner~~ office may contract with a third party to complete the requirements of this clause. Any reports submitted must comply with section 152.28, subdivision 2.

(b) The ~~commissioner~~ office may add a delivery method under section 152.22, subdivision 6, ~~or add, remove, or modify a qualifying medical condition under section 152.22, subdivision 14,~~ upon a petition from a member of the public or the ~~task force on medical cannabis therapeutic research~~ Cannabis Advisory Council under section 342.03 or as directed by law.

~~The commissioner shall evaluate all petitions to add a qualifying medical condition or to remove or modify an existing qualifying medical condition submitted by the task force on medical cannabis therapeutic research or as directed by law and may make the addition, removal, or modification if the commissioner determines the addition, removal, or modification is warranted based on the best available evidence and research.~~ If the ~~commissioner~~ office wishes to add a delivery method under section 152.22, subdivision 6, ~~or add or remove a qualifying medical condition under section 152.22, subdivision 14,~~ the ~~commissioner~~ office must notify the chairs and ranking minority members of the legislative policy committees having jurisdiction over health and public safety of the addition ~~or removal~~ and the reasons for its addition ~~or removal~~, including any written comments received by the ~~commissioner~~ office from the public and any guidance received from the ~~task force on medical cannabis research~~ Cannabis Advisory Council under section 342.03, by January 15 of the year in which the ~~commissioner~~ office wishes to make the change. The change shall be effective on August 1 of that year, unless the legislature by law provides otherwise.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 17. Minnesota Statutes 2022, section 152.27, subdivision 3, is amended to read:

Subd. 3. **Patient application.** (a) The ~~commissioner~~ office shall develop a patient application for enrollment into the registry program. The application shall be available to the patient and given to health care practitioners in the state who are eligible to serve as health care practitioners. The application must include:

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

(2) the name, mailing address, and telephone number of the patient's health care practitioner;

(3) the name, mailing address, and date of birth of the patient's designated caregiver, if any, or the patient's parent, legal guardian, or spouse if the parent, legal guardian, or spouse will be acting as a caregiver;

(4) a copy of the certification from the patient's health care practitioner that is dated within 90 days prior to submitting the application that certifies that the patient has been diagnosed with a qualifying medical condition; and

(5) all other signed affidavits and enrollment forms required by the ~~commissioner~~ office under sections 152.22 to 152.37, including, but not limited to, the disclosure form required under paragraph ~~(c)~~ (b).

~~(b) The commissioner shall require a patient to resubmit a copy of the certification from the patient's health care practitioner on a yearly basis and shall require that the recertification be dated within 90 days of submission.~~

~~(c)~~ (b) The ~~commissioner~~ office shall develop a disclosure form and require, as a condition of enrollment, all patients to sign a copy of the disclosure. The disclosure must include:

(1) a statement that, notwithstanding any law to the contrary, the ~~commissioner~~ office, or an employee of any state agency, may not be held civilly or criminally liable for any injury, loss of property, personal injury, or death caused by any act or omission while acting within the scope of office or employment under sections 152.22 to 152.37; and

(2) the patient's acknowledgment that enrollment in the patient registry program is conditional on the patient's agreement to meet all of the requirements of sections 152.22 to 152.37.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 18. Minnesota Statutes 2022, section 152.27, is amended by adding a subdivision to read:

Subd. 3a. **Application procedure for veterans.** (a) Beginning July 1, 2024, the office shall establish an alternative certification procedure for veterans to enroll in the patient registry program.

(b) A patient who is a veteran receiving care from the United States Department of Veterans Affairs and is seeking to enroll in the registry program must submit a copy of the patient's veteran health identification card issued by the United States Department of Veterans Affairs and an application established by the office to confirm that the veteran has been diagnosed with a condition that may benefit from the therapeutic use of medical cannabis.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 19. Minnesota Statutes 2022, section 152.27, subdivision 4, is amended to read:

Subd. 4. **Registered designated caregiver.** (a) The ~~commissioner~~ office shall register a designated caregiver for a patient if the patient requires assistance in administering medical cannabis or obtaining medical cannabis from a distribution facility and the caregiver has agreed, in writing, to be the patient's designated caregiver. As a condition of registration as a designated caregiver, the commissioner shall require the person to:

(1) be at least 18 years of age;

(2) agree to only possess the patient's medical cannabis for purposes of assisting the patient; and

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

~~(b) The commissioner 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.~~

~~(c)~~ (b) Nothing in sections 152.22 to 152.37 shall be construed to prevent a person registered as a designated caregiver from also being enrolled in the registry program as a patient and possessing and using medical cannabis as a patient.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 20. Minnesota Statutes 2022, section 152.27, subdivision 6, is amended to read:

Subd. 6. **Patient enrollment.** (a) After receipt of a patient's application~~, application fees,~~ and signed disclosure, the ~~commissioner~~ office shall enroll the patient in the registry program and issue the patient and patient's registered designated caregiver or parent, legal guardian, or spouse, if applicable, a registry verification. The ~~commissioner~~ office shall approve or deny a patient's application for participation in the registry program within 30 days after the ~~commissioner~~ office receives the patient's application ~~and application fee. The commissioner may approve applications up to 60 days after the receipt of a patient's application and application fees until January 1, 2016~~. A patient's enrollment in the registry program shall only be denied if the patient:

(1) does not have certification from a health care practitioner or, if the patient is a veteran receiving care from the United States Department of Veterans Affairs, does not have the documentation required under subdivision 3a that the patient has been diagnosed with a qualifying medical condition;

(2) has not signed and returned the disclosure form required under subdivision 3, paragraph (c), to the ~~commissioner~~ office;

(3) does not provide the information required;

(4) has previously been removed from the registry program for violations of section 152.30 or 152.33; or

(5) provides false information.

(b) The ~~commissioner~~ office shall give written notice to a patient of the reason for denying enrollment in the registry program.

(c) Denial of enrollment into the registry program is considered a final decision of the commissioner and is subject to judicial review under the Administrative Procedure Act pursuant to chapter 14.

(d) A patient's enrollment in the registry program may only be revoked upon the death of the patient or if a patient violates a requirement under section 152.30 or 152.33.

(e) The ~~commissioner~~ office shall develop a registry verification to provide to the patient, the health care practitioner identified in the patient's application, and to the manufacturer. The registry verification shall 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 be acting as a caregiver.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 21. Minnesota Statutes 2023 Supplement, section 152.28, subdivision 1, is amended to read:

Subdivision 1. **Health care practitioner duties.** (a) Prior to a patient's enrollment in the registry program, a health care practitioner shall:

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

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

(3) provide explanatory information from the commissioner to patients with qualifying medical conditions, including disclosure to all patients about the experimental nature of

therapeutic use of medical cannabis; the possible risks, benefits, and side effects of the proposed treatment; the application and other materials from the commissioner; and provide patients with the Tennessen warning as required by section 13.04, subdivision 2; and

(4) agree to continue treatment of the patient's qualifying medical condition and report medical findings to the commissioner.

(b) Upon notification from the commissioner of the patient's enrollment in the registry program, the health care practitioner shall:

(1) participate in the patient registry reporting system under the guidance and supervision of the commissioner;

(2) report health records of the patient throughout the ongoing treatment of the patient to the commissioner in a manner determined by the commissioner and in accordance with subdivision 2;

(3) determine, ~~on a yearly basis~~ every three years, if the patient continues to suffer from a qualifying medical condition and, if so, issue the patient a new certification of that diagnosis; and

(4) otherwise comply with all requirements developed by the commissioner.

(c) A health care practitioner may utilize telehealth, as defined in section 62A.673, subdivision 2, for certifications and recertifications.

(d) Nothing in this section requires a health care practitioner to participate in the registry program.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 22. Minnesota Statutes 2022, section 152.28, subdivision 2, is amended to read:

Subd. 2. **Data.** Data collected on patients by a health care practitioner and reported to the patient registry, including data on patients who are veterans who receive care from the United States Department of Veterans Affairs, are health records under section 144.291, and are private data on individuals under section 13.02, but may be used or reported in an aggregated, nonidentifiable form as part of a scientific, peer-reviewed publication of research conducted under section 152.25 or in the creation of summary data, as defined in section 13.02, subdivision 19.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 23. Minnesota Statutes 2022, section 152.29, subdivision 3, is amended to read:

Subd. 3. **Manufacturer; distribution.** (a) A manufacturer shall require that employees licensed as pharmacists pursuant to chapter 151 be the only employees to give final approval for the distribution of medical cannabis to a patient. A manufacturer may transport medical cannabis or medical cannabis products that have been cultivated, harvested, manufactured, packaged, and processed by that manufacturer to another registered manufacturer for the other manufacturer to distribute.

(b) A manufacturer may distribute medical cannabis products, whether or not the products have been manufactured by that manufacturer.

(c) Prior to distribution of any medical cannabis, the manufacturer shall:

(1) verify that the manufacturer has received the registry verification from the ~~commissioner~~ office for that individual patient;

(2) verify that the person requesting the distribution of medical cannabis is the patient, the patient's registered designated caregiver, or the patient's parent, legal guardian, or spouse listed in the registry verification using the procedures described in section 152.11, subdivision 2d;

(3) assign a tracking number to any medical cannabis distributed from the manufacturer;

(4) ensure that any employee of the manufacturer licensed as a pharmacist pursuant to chapter 151 has consulted with the patient to determine the proper dosage for the individual patient after reviewing the ranges of chemical compositions of the medical cannabis and the ranges of proper dosages reported by the ~~commissioner~~ office. For purposes of this clause, a consultation may be conducted remotely by secure videoconference, telephone, or other remote means, so long as the employee providing the consultation is able to confirm the identity of the patient and the consultation adheres to patient privacy requirements that apply to health care services delivered through telehealth. A pharmacist consultation under this clause is ~~not required when a manufacturer is distributing medical cannabis to a patient according to a patient-specific dosage plan established with that manufacturer and is not modifying the dosage or product being distributed under that plan and the medical cannabis is distributed by a pharmacy technician;~~ only required:

(i) if the patient is purchasing the medical cannabis flower or medical cannabinoid product for the first time;

(ii) if the patient purchases medical cannabis flower or a medical cannabinoid product that the patient must administer using a different method than the patient's previous method of administration;

(iii) if the patient purchases medical cannabis flower or a medical cannabinoid product with a cannabinoid concentration of at least double the patient's prior dosage; or

(iv) upon the request of the patient; and

(5) properly package medical cannabis in compliance with the United States Poison Prevention Packing Act regarding child-resistant packaging and exemptions for packaging for elderly patients, and label distributed medical cannabis with a list of all active ingredients and individually identifying information, including:

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

(ii) the name and date of birth of the patient's registered designated caregiver or, if listed on the registry verification, the name of the patient's parent or legal guardian, if applicable;

(iii) the patient's registry identification number;

(iv) the chemical composition of the medical cannabis; and

(v) the dosage~~; and~~

~~(6) ensure that the medical cannabis distributed contains a maximum of a 90-day supply of the dosage determined for that patient~~.

(d) A manufacturer shall require any employee of the manufacturer who is transporting medical cannabis or medical cannabis products to a distribution facility or to another registered manufacturer to carry identification showing that the person is an employee of the manufacturer.

(e) A manufacturer shall distribute medical cannabis in dried raw cannabis form only to a patient age 21 or older, or to the registered designated caregiver, parent, legal guardian, or spouse of a patient age 21 or older.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 24. Minnesota Statutes 2023 Supplement, section 152.30, is amended to read:

152.30 PATIENT DUTIES.

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

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 25. Minnesota Statutes 2022, section 181.950, subdivision 10, is amended to read:

Subd. 10. **Positive test result.** "Positive test result" means a finding of the presence of drugs, cannabis, alcohol, or their metabolites in the sample tested in levels at or above the threshold detection levels contained in the standards of one of the programs listed in section 181.953, subdivision 1.

Sec. 26. Minnesota Statutes 2023 Supplement, section 181.951, subdivision 4, is amended to read:

Subd. 4. **Random testing.** An employer may request or require employees to undergo cannabis testing ~~or~~ and drug and alcohol testing on a random selection basis only if (1) they are employed in safety-sensitive positions, or (2) they are employed as professional athletes if the professional athlete is subject to a collective bargaining agreement permitting random testing but only to the extent consistent with the collective bargaining agreement.

Sec. 27. Minnesota Statutes 2023 Supplement, section 181.951, subdivision 5, is amended to read:

Subd. 5. **Reasonable suspicion testing.** An employer may request or require an employee to undergo cannabis testing and drug and alcohol testing if the employer has a reasonable suspicion that the employee:

(1) is under the influence of drugs, cannabis, or alcohol;

(2) has violated the employer's written work rules prohibiting the use, possession, impairment, sale, or transfer of drugs or alcohol, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products while the employee is working or while the employee is on the employer's premises or operating the employer's

vehicle, machinery, or equipment, ~~provided~~ if the work rules are in writing and contained in the employer's written cannabis testing or drug and alcohol testing policy;

(3) has sustained a personal injury, as that term is defined in section 176.011, subdivision 16, or has caused another employee to sustain a personal injury; or

(4) has caused a work-related accident or was operating or helping to operate machinery, equipment, or vehicles involved in a work-related accident.

Sec. 28. Minnesota Statutes 2023 Supplement, section 181.951, subdivision 8, is amended to read:

Subd. 8. **Limitations on cannabis testing.** (a) An employer must not request or require a job applicant to undergo cannabis testing ~~solely for the purpose of determining the presence or absence of cannabis~~ as a condition of employment unless otherwise required by state or federal law.

(b) Unless otherwise required by state or federal law, an employer must not refuse to hire a job applicant solely because the job applicant submits to a cannabis test or a drug and alcohol test authorized by this section and the results of the test indicate the presence of cannabis.

(c) An employer must not request or require an employee or job applicant to undergo cannabis testing on an arbitrary or capricious basis.

(d) Cannabis testing authorized under ~~paragraph (d)~~ this section must comply with the safeguards for testing employees provided in sections 181.953 and 181.954.

Sec. 29. Minnesota Statutes 2022, section 181.952, as amended by Laws 2023, chapter 63, article 6, section 38, is amended to read:

181.952 POLICY CONTENTS; PRIOR WRITTEN NOTICE.

Subdivision 1. **Contents of the policy.** An employer's drug and alcohol and cannabis testing policy must, at a minimum, set forth the following information:

(1) the employees or job applicants subject to testing under the policy;

(2) the circumstances under which drug or alcohol and cannabis testing may be requested or required;

(3) the right of an employee or job applicant to refuse to undergo drug and alcohol and cannabis testing and the consequences of refusal;

(4) any disciplinary or other adverse personnel action that may be taken based on a confirmatory test verifying a positive test result on an initial screening test;

(5) the right of an employee or job applicant to explain a positive test result on a confirmatory test or request and pay for a confirmatory retest; and

(6) any other appeal procedures available.

Subd. 2. **Notice.** An employer shall provide written notice of its drug and alcohol testing and cannabis testing policy to all affected employees upon adoption of the policy, to a previously nonaffected employee upon transfer to an affected position under the policy, and to a job applicant upon hire and before any testing of the applicant if the job offer is made contingent on the applicant passing drug and alcohol testing. An employer shall also post notice in an appropriate and conspicuous location on the employer's premises that the employer has adopted a drug and alcohol testing and cannabis testing policy and that copies of the policy are available for inspection during regular business hours by its employees or job applicants in the employer's personnel office or other suitable locations.

Subd. 3. **Cannabis ~~policy~~ work rules.** (a) Unless otherwise provided by state or federal law, an employer is not required to permit or accommodate cannabis flower, cannabis product, lower-potency hemp edible, or hemp-derived consumer product use, possession, impairment, sale, or transfer while an employee is working or while an employee is on the employer's premises or operating the employer's vehicle, machinery, or equipment.

(b) An employer may only enact and enforce written work rules prohibiting cannabis flower, cannabis product, lower-potency hemp edible, and hemp-derived consumer product use, possession, impairment, sale, or transfer while an employee, is working or while an employee is on the employer's premises or operating the employer's vehicle, machinery, or equipment in a written policy that contains the minimum information required by this section.

Sec. 30. Minnesota Statutes 2023 Supplement, section 181.954, subdivision 1, is amended to read:

Subdivision 1. **Privacy limitations.** A laboratory may only disclose to the employer test result data regarding the presence or absence of drugs, cannabis, alcohol, or their metabolites in a sample tested.

Sec. 31. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 14, is amended to read:

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

(1) cannabis microbusiness;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service; and

~~(11) medical cannabis cultivator;~~

~~(12) medical cannabis processor;~~

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

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

Sec. 32. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 17, is amended to read:

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

Sec. 33. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 19, is amended to read:

Subd. 19. **Cannabis plant.** "Cannabis plant" means all parts of the plant of the genus Cannabis that is growing or has not been harvested ~~and has a delta-9 tetrahydrocannabinol concentration of more than 0.3 percent on a dry weight basis~~, including but not limited to

a mother plant; a mature, flowering plant; an immature plant; or a seedling. Cannabis plant does not include a hemp plant.

Sec. 34. Minnesota Statutes 2023 Supplement, section 342.01, is amended by adding a subdivision to read:

Subd. 31a. **Endorsement.** "Endorsement" means an authorization from the office to conduct a specified operation activity.

Sec. 35. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 48, is amended to read:

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

(1) cannabis microbusiness;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service;

(11) lower-potency hemp edible manufacturer;

(12) lower-potency hemp edible retailer; or

~~(13) medical cannabis cultivator;~~

~~(14) medical cannabis processor;~~

~~(15) medical cannabis retailer; or~~

~~(16)~~ (13) medical cannabis combination business.

Sec. 36. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 50, is amended to read:

Subd. 50. **Lower-potency hemp edible.** (a) "Lower-potency hemp edible" means any product that:

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

(2) contains hemp concentrate or an artificially derived cannabinoid, in combination with food ingredients;

(3) is not a drug;

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

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

~~(6) does not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol;~~

~~(7)~~ (4) does not contain a cannabinoid derived from cannabis plants or cannabis flower; ~~and~~

~~(8)~~ (5) is a type of product approved for sale by the office or is substantially similar to a product approved by the office, including but not limited to products that resemble nonalcoholic beverages, candy, and baked goods~~.~~; and

(6) meets either of the requirements in paragraph (b).

(b) A lower-potency hemp edible includes:

(1) a product that:

(i) consists of servings that contain no more than five milligrams of delta-9 tetrahydrocannabinol; no more than 25 milligrams of cannabidiol, cannabigerol, cannabinol, or cannabichromene; any other cannabinoid authorized by the office; or any combination of those cannabinoids that does not exceed the identified amounts;

(ii) does not contain more than a combined total of 0.5 milligrams of all other cannabinoids per serving; and

(iii) does not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol, except that a product may include artificially derived cannabinoids

created during the process of creating the delta-9 tetrahydrocannabinol that is added to the product, if no artificially derived cannabinoid is added to the ingredient containing delta-9 tetrahydrocannabinol and the ratio of delta-9 tetrahydrocannabinol to all other artificially derived cannabinoids is no less than 20 to one; or

(2) a product that:

(i) contains hemp concentrate processed or refined without increasing the percentage of targeted cannabinoids or altering the ratio of cannabinoids in the extracts or resins of a hemp plant or hemp plant parts beyond the variability generally recognized for the method used for processing or refining or by an amount needed to reduce the total THC in the hemp concentrate; and

(ii) consists of servings that contain no more than five milligrams of total THC.

Sec. 37. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 52, is amended to read:

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 registered designated caregiver, cannabis retailer, or ~~medical cannabis retailer~~ cannabis business with a medical cannabis retail endorsement 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.

Sec. 38. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 54, is amended to read:

Subd. 54. **Medical cannabis flower.** "Medical cannabis flower" means cannabis flower provided to a patient enrolled in the registry program or a visiting patient; a registered designated caregiver; or a parent, legal guardian, or spouse of an enrolled patient by a registered designated caregiver, cannabis retailer, or ~~medical cannabis business~~ cannabis business with a medical cannabis retail endorsement to treat or alleviate the symptoms of a qualifying medical condition. Medical cannabis flower does not include adult-use cannabis flower.

Sec. 39. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 63, is amended to read:

Subd. 63. **Qualifying medical condition.** "Qualifying medical condition" means a diagnosis of any of the following conditions:

(1) Alzheimer's disease;

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

(3) cancer, if the underlying condition or treatment produces one or more of the following:

(i) severe or chronic pain;

(ii) nausea or severe vomiting; or

(iii) cachexia or severe wasting;

(4) chronic motor or vocal tic disorder;

(5) chronic pain;

(6) glaucoma;

(7) human immunodeficiency virus or acquired immune deficiency syndrome;

(8) intractable pain as defined in section 152.125, subdivision 1, paragraph (c);

(9) obstructive sleep apnea;

(10) post-traumatic stress disorder;

(11) Tourette's syndrome;

(12) amyotrophic lateral sclerosis;

(13) seizures, including those characteristic of epilepsy;

(14) severe and persistent muscle spasms, including those characteristic of multiple sclerosis;

(15) inflammatory bowel disease, including Crohn's disease;

(16) irritable bowel syndrome;

(17) obsessive-compulsive disorder;

(18) sickle cell disease;

(19) terminal illness, with a probable life expectancy of under one year, if the illness or its treatment produces one or more of the following:

(i) severe or chronic pain;

(ii) nausea or severe vomiting; or

(iii) cachexia or severe wasting; or

(20) any other medical condition ~~or its treatment approved by the office.~~ that is:

(i) approved by a patient's health care practitioner; or

(ii) if the patient is a veteran receiving care from the United States Department of Veterans Affairs, certified under section 342.52, subdivision 3.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 40. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 64, is amended to read:

Subd. 64. **Registered designated caregiver.** "Registered designated caregiver" means an individual who:

(1) is at least 18 years old;

~~(2) is not disqualified for a criminal offense according to rules adopted pursuant to section 342.15, subdivision 2;~~

~~(3)~~ (2) has been approved by the ~~Division of Medical Cannabis~~ office to assist a patient with obtaining medical cannabis flower and medical cannabinoid products from a cannabis ~~retailer or medical cannabis retailer~~ business with a medical cannabis retail endorsement and with administering medical cannabis flower and medical cannabinoid products; and

~~(4)~~ (3) is authorized by the ~~Division of Medical Cannabis~~ office to assist a patient with the use of medical cannabis flower and medical cannabinoid products.

Sec. 41. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 65, is amended to read:

Subd. 65. **Registry or registry program.** "Registry" or "registry program" means the patient registry established under this chapter listing patients; registered designated caregivers; and any parent, legal guardian, or spouse of a patient who is authorized to perform the following acts either as a patient or to assist a patient:

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

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

Sec. 42. Minnesota Statutes 2023 Supplement, section 342.01, subdivision 66, is amended to read:

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

Sec. 43. Minnesota Statutes 2023 Supplement, section 342.01, is amended by adding a subdivision to read:

Subd. 69a. **Total THC.** "Total THC" means the sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus the percentage by weight of all tetrahydrocannabinols.

Sec. 44. Minnesota Statutes 2023 Supplement, section 342.02, subdivision 2, is amended to read:

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

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

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

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

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

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

(6) to issue and renew licenses;

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

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

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

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

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

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

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

(14) to provide reports as required by law;

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

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

(17) to establish limits on the potency of cannabis flower and cannabis products that can be sold to customers by licensed cannabis retailers, licensed cannabis microbusinesses, and licensed cannabis mezzobusinesses with an endorsement to sell cannabis flower and cannabis 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 cultivates cannabis flower or manufactures or produces cannabis products, medical cannabinoid products, artificially derived cannabinoids, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products to recall any cannabis flower, product, or ingredient containing cannabinoids that is used in a product if the office determines that the flower, product, or ingredient 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.

Sec. 45. 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.

Sec. 46. Minnesota Statutes 2023 Supplement, section 342.02, subdivision 6, is amended to read:

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

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

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

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

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

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

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

Sec. 47. Minnesota Statutes 2023 Supplement, section 342.03, subdivision 1, is amended to read:

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

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

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

(3) the commissioner of revenue or a designee;

(4) the commissioner of health or a designee;

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

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

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

(8) the commissioner of labor or a designee;

(9) the commissioner of agriculture or a designee;

(10) the commissioner of the Pollution Control Agency or a designee;

(11) the superintendent of the Bureau of Criminal Apprehension or a designee;

(12) the colonel of the State Patrol or a designee;

(13) the director of the Office of Traffic Safety in the Department of Public Safety or a designee;

(14) a representative from the League of Minnesota Cities appointed by the league;

(15) a representative from the Association of Minnesota Counties appointed by the association;

(16) an expert in minority business development appointed by the governor;

(17) an expert in economic development strategies for under-resourced communities appointed by the governor;

(18) an expert in farming or representing the interests of farmers appointed by the governor;

(19) an expert representing the interests of cannabis workers appointed by the governor;

(20) an expert representing the interests of employers appointed by the governor;

(21) an expert in municipal law enforcement with advanced training in impairment detection and evaluation appointed by the governor;

(22) an expert in social welfare or social justice appointed by the governor;

(23) an expert in criminal justice reform to mitigate the disproportionate impact of drug prosecutions on communities of color appointed by the governor;

(24) an expert in prevention, treatment, and recovery related to substance use disorders appointed by the governor;

(25) an expert in minority business ownership appointed by the governor;

(26) an expert in women-owned businesses appointed by the governor;

(27) an expert in cannabis retailing appointed by the governor;

(28) an expert in cannabis product manufacturing appointed by the governor;

(29) an expert in laboratory sciences and toxicology appointed by the governor;

(30) an expert in providing legal services to cannabis businesses appointed by the governor;

(31) an expert in cannabis cultivation appointed by the governor;

(32) an expert in pediatric medicine appointed by the governor;

(33) an expert in adult medicine appointed by the governor;

(34) an expert in clinical pharmacy appointed by the governor;

(35) three patient advocates, one who is a patient enrolled in the medical cannabis program; one who is a parent or caregiver of a patient in the medical cannabis program; and one patient with experience in the mental health system or substance use disorder treatment system appointed by the governor;

~~(35)~~ (36) two licensed mental health professionals appointed by the governor;

~~(36)~~ (37) a veteran appointed by the governor;

~~(37)~~ (38) one member of each of the following federally recognized Tribes, designated by the elected Tribal president or chairperson of the governing bodies of:

(i) the Fond du Lac Band;

(ii) the Grand Portage Band;

(iii) the Mille Lacs Band;

(iv) the White Earth Band;

(v) the Bois Forte Band;

(vi) the Leech Lake Band;

(vii) the Red Lake Nation;

(viii) the Upper Sioux Community;

(ix) the Lower Sioux Indian Community;

(x) the Shakopee Mdewakanton Sioux Community; and

(xi) the Prairie Island Indian Community; and

~~(38)~~ (39) a representative from the Local Public Health Association of Minnesota appointed by the association.

Sec. 48. Minnesota Statutes 2023 Supplement, section 342.06, is amended to read:

342.06 APPROVAL OF CANNABIS FLOWER, PRODUCTS, AND CANNABINOIDS.

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

(b) The office shall approve product categories of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for retail sale.

(c) The office may establish limits on the total THC of cannabis flower, cannabis products, and hemp-derived consumer products. As used in this paragraph, "total THC" means the sum of the percentage by weight of tetrahydrocannabinolic acid multiplied by 0.877 plus the percentage by weight of all tetrahydrocannabinols.

(d) The office shall not approve any cannabis product, lower-potency hemp edible, or hemp-derived consumer product that:

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

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

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

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

(5) contains a synthetic cannabinoid;

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

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

Subd. 2. **Approval of cannabinoids.** (a) The office may designate any cannabinoid as nonintoxicating and may approve the use of any cannabinoid in lower-potency hemp edibles. The office may establish limits on the amount of an intoxicating cannabinoid that may be present in a lower-potency hemp edible.

(b) Beginning January 1, 2026, any person may petition the office to designate a cannabinoid as nonintoxicating or to allow the use of any cannabinoid in lower-potency hemp edibles. Petitions must be filed in the form and manner established by the office and must:

(1) specify the cannabinoid that is the subject of the petition;

(2) indicate whether the petition seeks to have the cannabinoid designated as nonintoxicating or approved for use in lower-potency hemp edibles;

(3) indicate whether the cannabinoid has been identified in cannabis plants, cannabis extract, hemp plant parts, or hemp extract; and

(4) include verified data, validated studies, or other evidence that is generally relied upon in the scientific community to support the petition.

(c) The office must post all final determinations on the office's publicly facing website.

(d) If the office denies a petition to designate a cannabinoid as nonintoxicating or to allow the cannabinoid's use in lower-potency hemp edibles, that denial shall be in effect for two years. Any petition filed under this subdivision within two years of a final determination denying a petition for the same cannabinoid must be summarily denied.

Sec. 49. Minnesota Statutes 2023 Supplement, section 342.07, subdivision 3, is amended to read:

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

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

(c) The office must regulate edible cannabinoid product handlers ~~and assess penalties in the same~~ in a manner ~~provided for~~ consistent with Department of Agriculture regulation

of food handlers under chapters 28A, 31, and 34A and associated rules, with the following exceptions:

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

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

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

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

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

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

Sec. 50. 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~~ combination business, or lower-potency hemp edible manufacturer license issued under this chapter.

Sec. 51. 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;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service;

(11) lower-potency hemp edible manufacturer;

(12) lower-potency hemp edible retailer; and

~~(13) medical cannabis cultivator;~~

~~(14) medical cannabis processor;~~

~~(15) medical cannabis retailer; or~~

~~(16)~~ (13) medical cannabis combination business.

Sec. 52. Minnesota Statutes 2023 Supplement, section 342.11, is amended to read:

342.11 LICENSES; FEES.

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

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

(1) for a cannabis microbusiness:

(i) an application fee of $500;

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

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

(2) for a cannabis mezzobusiness:

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

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

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

(3) for a cannabis cultivator:

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

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

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

(4) for a cannabis manufacturer:

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

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

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

(5) for a cannabis retailer:

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

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

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

(6) for a cannabis wholesaler:

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

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

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

(7) for a cannabis transporter:

(i) an application fee of $250;

(ii) an initial license fee of $500; and

(iii) a renewal license fee of $1,000;

(8) for a cannabis testing facility:

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

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

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

(9) for a cannabis delivery service:

(i) an application fee of $250;

(ii) an initial license fee of $500; and

(iii) a renewal license fee of $1,000;

(10) for a cannabis event organizer:

(i) an application fee of $750; and

(ii) an initial license fee of $750;

(11) for a lower-potency hemp edible manufacturer:

(i) an application fee of $250;

(ii) an initial license fee of $1,000; and

(iii) a renewal license fee of $1,000;

(12) for a lower-potency hemp edible retailer:

(i) an application fee of $250 per retail location;

(ii) an initial license fee of $250 per retail location; and

(iii) a renewal license fee of $250 per retail location; and

~~(13) for a medical cannabis cultivator:~~

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

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

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

~~(14) for a medical cannabis processor:~~

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

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

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

~~(15) for a medical cannabis retailer:~~

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

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

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

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

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

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

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

Sec. 53. Minnesota Statutes 2023 Supplement, section 342.12, is amended to read:

342.12 LICENSES; TRANSFERS; ADJUSTMENTS.

(a) Licenses issued under this chapter that are available to all applicants pursuant to section 342.18, subdivision 4, paragraph (g), may be freely transferred subject to the prior written approval of the office~~, which approval may be given or withheld in the office's sole discretion, provided that a social equity applicant may only transfer the applicant's license to another social equity applicant~~.

(b) Licenses issued as social equity licenses pursuant to either section 342.18, subdivision 4, paragraph (f), or section 342.175, paragraph (b), may only be transferred to another social equity applicant for three years after the date on which the office issues the license. Three years after the date of issuance, a license holder may transfer a license to any entity. Transfer of a license that was issued as a social equity license must be reviewed by the Division of Social Equity and is subject to the prior written approval of the office.

(c) License preapproval issued pursuant to section 342.125 may not be transferred.

(d) A new license must be obtained when:

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

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

~~(b) Transfers between social equity applicants must be reviewed by the Division of Social Equity.~~

~~(c)~~ (e) Licenses must be renewed annually.

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

~~(e)~~ (g) The office by rule may permit the relocation of a licensed cannabis business~~,~~; permit the relocation of an approved operational location, including a cultivation, manufacturing, processing, or retail location; adopt 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. 54. **[342.125] LICENSE PREAPPROVAL.**

Subdivision 1. **Preapproval.** (a) The office may establish a license preapproval process for applicants who meet the requirements in section 342.17.

(b) The office may issue up to the following number of license preapprovals:

(1) cannabis microbusiness licenses, 100;

(2) cannabis mezzobusiness licenses, 25;

(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, 50; and

(9) cannabis delivery service licenses, ten.

(c) License preapproval remains valid for 18 months from the date that the office adopts initial rules pursuant to section 342.02, subdivision 5, unless the office revokes the preapproval. If a person has not converted a preapproval into a license within 18 months, the preapproval expires.

Subd. 2. **Eligibility.** (a) Only a social equity applicant who meets the requirements in section 342.17 is eligible for license preapproval.

(b) The office must not issue a license preapproval if the applicant would be prohibited from holding the license under section 342.18, subdivision 2.

Subd. 3. **Application; contents.** (a) An applicant for preapproval must:

(1) complete an application that contains the information described in section 342.14, subdivision 1, on a form approved by the office; and

(2) pay the applicable application fee required under section 342.11, paragraph (b), for the license being sought.

(b) The office shall not require an applicant to possess or identify any property on which the cannabis business will operate.

Subd. 4. **Application process.** (a) The office must announce the commencement of an application period for license preapproval at least 14 days before the date that the office begins to accept applications. The announcement must include:

(1) the types of licenses that will be available for preapproval during the application period;

(2) the number of each type of license available;

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

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

(b) The office must accept applications for license preapproval for 30 calendar days during an application period.

(c) Before proceeding with a review of the application, the office must verify the applicant's status as a social equity applicant.

(d) The office may deny an application for preapproval that:

(1) is incomplete;

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

(3) is from an applicant that does not meet the requirements in section 342.17;

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

(5) is from an applicant who fails to pay the applicable application fee; or

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

(e) If the office denies an application for preapproval, the office must notify the applicant of the denial and the basis for the denial.

(f) 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 of the office's request for information, the office may deny the application.

Subd. 5. **Issuance of preapproval; lottery.** (a) An applicant who meets the requirements in subdivisions 2, 3, and 4 is a qualified applicant and the office may issue a license preapproval to the applicant.

(b) If there are fewer license preapprovals available than the number of qualified applicants for that license type, the office must conduct a lottery to select applicants for preapproval. The lottery must include all qualified applicants seeking preapproval for the license type and must be impartial, random, and in a format determined by the office.

(c) The office may remove an applicant from the lottery if the office determines that:

(1) the applicant has violated an ownership or operational requirement in this chapter or rules adopted pursuant to this chapter that would justify revocation or nonrenewal of a license;

(2) the applicant is disqualified from holding a license pursuant to section 342.15; or

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

(d) If the office removes an applicant from a lottery, the office must notify the applicant of the removal and the basis for the removal. If an applicant is not selected in a lottery, the office must notify the applicant that the applicant was not selected.

Subd. 6. **License preapproval; purpose; restrictions.** (a) License preapproval issued by the office is evidence that the applicant has submitted all necessary information to the office; the office has determined that the applicant is qualified to hold a license of the type that is preapproved; and the office will issue the person a license after the office adopts initial rules pursuant to section 342.02, subdivision 5, unless the office revokes preapproval pursuant to subdivision 7.

(b) Upon request by a person who has been preapproved for a license, the office must provide confirmation of the preapproval to third parties to assist the person in taking the steps necessary to prepare for business operations, including:

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

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

(3) raising capital for the person's business operations.

(c) License preapproval does not authorize a person to open a cannabis business or engage in any activity that requires a license issued under this chapter.

(d) A person with a license preapproval shall not:

(1) purchase, possess, cultivate, manufacture, distribute, dispense, or sell cannabis plants, cannabis flower, cannabis products, medical cannabis flower, or medical cannabinoid products;

(2) manufacture, distribute, or sell edible cannabinoid products or lower-potency hemp edibles unless the person has explicit permission to engage in those activities from the office and has a valid license authorizing those actions or is registered pursuant to section 151.72;

(3) make any transfer of an ownership interest that causes a change in the individual or entity that holds the controlling ownership interest;

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

(5) make any transfer of ownership interest that causes the person with a license preapproval to no longer qualify as a social equity applicant under section 342.17.

Subd. 7. **Revocation of preapproval.** The office may revoke a license preapproval if the individual holding the preapproval or, if preapproval is granted to a business entity, any cooperative member or director, manager, or general partner of the business entity:

(1) fraudulently or deceptively obtained preapproval;

(2) fails to reveal any material fact pertaining to the qualification for preapproval;

(3) violates any provision of this chapter;

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

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

Subd. 8. **Conversion of preapproval.** (a) The office must grant a license to any person who has received a license preapproval after the office:

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

(2) receives the applicable license fee pursuant to section 342.11.

(b) The office must not grant a license to a person who has received a license preapproval if:

(1) the ownership of the business has changed since the office granted a license preapproval and the person has not filed an updated ownership disclosure as required by section 342.14, subdivision 1, paragraph (b); or

(2) the cannabis business for which the office granted a license preapproval does not meet local zoning and land use laws.

Subd. 9. **Applicants; right to a reconsideration.** (a) If the office denies an application for a license preapproval or removes an application from a lottery, the applicant may request a records review of the submitted application materials within seven calendar days of receiving notification that the office denied or removed the application.

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

(c) A person whose license preapproval is later revoked by the office may request reconsideration by the director.

(d) A person whose application is denied, removed from a lottery, or not selected in a lottery may not appeal or request a hearing.

Subd. 10. **Retention of applications.** (a) A qualified applicant whose application is not selected for a license preapproval in a lottery may request that the office retain the application for subsequent application periods.

(b) If a qualified applicant requests that the office retain an application, the office must retain the application for one year after the date of the request.

(c) The office may request additional information from any applicant whose application is retained if the office determines that the information is necessary to determine if the applicant meets the requirements for a subsequent application period. If the applicant does not provide the additional requested information within 14 calendar days of the office's request for information, the office may deny the application.

(d) The office may disqualify an application from retention under the grounds specified in subdivision 5, paragraph (c).

(e) If the office announces an application period, any application retained by the office may be granted a license preapproval or be entered in a lottery if the applicant:

(1) pays the relevant application fee; and

(2) at the request of the office, amends an application or provides additional information.

Sec. 55. Minnesota Statutes 2023 Supplement, section 342.13, is amended to read:

342.13 LOCAL CONTROL.

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

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

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

(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.~~ The office may only investigate complaints alleging a violation of this chapter. 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 or cannabis mezzobusiness with a retail operations endorsement, ~~cannabis mezzobusiness,~~ lower-potency hemp edible retailer, ~~medical cannabis retailer,~~ or medical cannabis combination business operating a retail location 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.

~~(i)~~ (h) A local government unit that issues a 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.

~~(j)~~ (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.

~~(k)~~ (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).

~~(l)~~ (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. 56. 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 business licenses issued under this chapter. ~~At a minimum, any application to obtain or renew a cannabis license shall~~ The office must 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;

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

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

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

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

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

(c) An application may include:

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

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

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

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

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

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

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

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

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

~~(d) Upon receipt of a completed application and fee, the office shall forward a copy of the application to the local unit of government in which the business operates or intends to operate with a form for certification as to whether a proposed cannabis business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code.~~

~~(e)~~ (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. 57. 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 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. For purposes of making a determination under this subdivision, and notwithstanding the data's classification under chapter 13, the office may access civil investigatory data about an applicant maintained by any other government entity.

Sec. 58. **[342.151] EMPLOYEES OF LICENSE HOLDERS.**

Subdivision 1. **Definitions.** For purposes of this section, a "license holder" includes a cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis retailer, cannabis wholesaler, cannabis transporter, cannabis testing facility, cannabis event organizer, cannabis delivery service, lower-potency hemp edible manufacturer, lower-potency hemp edible retailer, or medical cannabis combination business.

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;

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

(3) labor trafficking;

(4) fraud;

(5) embezzlement;

(6) extortion;

(7) money laundering; or

(8) insider trading;

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

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

Sec. 59. Minnesota Statutes 2023 Supplement, section 342.17, is amended to read:

342.17 SOCIAL EQUITY APPLICANTS.

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

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

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

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

(4) is a military veteran, including status as a service-disabled veteran, current or former member of the national guard, or any military veteran or current or former member of the national guard who lost honorable status due to an offense involving the possession or sale of cannabis or marijuana;

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

(6) is an emerging farmer as defined in section ~~17.055, subdivision 1~~ 17.133, subdivision 1; or

(7) 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. 60. **[342.175] SOCIAL EQUITY LICENSE CLASSIFICATION.**

(a) The office must classify licenses listed in section 342.10, clauses (1) to (10) and (13) as:

(1) available to social equity applicants who meet the requirements of section 342.17; and

(2) available to all applicants.

(b) The office must classify any license issued to a social equity applicant as a social equity license.

Sec. 61. Minnesota Statutes 2023 Supplement, section 342.18, subdivision 2, is amended to read:

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

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

Sec. 62. 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;

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

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

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

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

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

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

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

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

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

Sec. 63. Minnesota Statutes 2023 Supplement, section 342.18, is amended by adding a subdivision to read:

Subd. 4. **Maximum number of licenses.** (a) Through as many licensing periods as the office deems necessary, the office shall issue up to the maximum number of licenses in each license category listed in paragraphs (e) and (f) to applicants that meet the minimum qualifications in subdivision 3. After 24 months from the beginning of the license application process, the office may adjust the maximum number of licenses of any type listed in this subdivision based on market demand, consistent with the objectives in section 342.02, subdivision 1, and the annual report required under section 342.04, paragraph (f).

(b) If there are insufficient licenses available for all applicants that meet the minimum qualifications in subdivision 3, the office shall hold a lottery to randomly select license recipients from among the applicants.

(c) The office may issue as many licenses as the office deems necessary of a license type that is not listed in this subdivision. The office is not required to issue a license for a license type that is not listed in this subdivision.

(d) Cannabis mezzobusiness license holders must earn no fewer than two distinctly different endorsements for authorized actions under the license category within 18 months of license issuance or the office may revoke the license holder's license or take appropriate enforcement action.

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

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

(1) cannabis cultivator licenses, 25;

(2) cannabis manufacturer licenses, 12;

(3) cannabis retailer licenses, 100; and

(4) cannabis mezzobusiness licenses, 50.

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

(1) cannabis cultivator licenses, 25;

(2) cannabis manufacturer licenses, 12;

(3) cannabis retailer licenses, 100; and

(4) cannabis mezzobusiness licenses, 50.

Sec. 64. Minnesota Statutes 2023 Supplement, section 342.18, is amended by adding a subdivision to read:

Subd. 5. **Conversion to hemp business license.** (a) After the office adopts initial rules pursuant to section 342.02, subdivision 5, the office may permit a person selling edible cannabinoid products who has registered pursuant to section 151.72, subdivision 5b, to convert the registration to a comparable hemp business license if:

(1) the registration was active before the office adopted initial rules;

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

(3) the person pays the applicable application and licensing fee as required by section 342.11; and

(4) the person is in good standing with the state.

(b) A person selling edible cannabinoid products who has registered pursuant to section 151.72, subdivision 5b, and remains in good standing with the state may continue operations under an active registration for the longer of:

(1) 30 days after the date that the office begins accepting applications for hemp business licenses; or

(2) if the person submits an application for a hemp business license, until the office makes a determination regarding the registrant's application.

Sec. 65. Minnesota Statutes 2023 Supplement, section 342.19, is amended by adding a subdivision to read:

Subd. 6. **Inspection of unlicensed businesses and facilities.** (a) The office may inspect any commercial premises that is not licensed under this chapter where cultivation, manufacturing, processing, or sale of cannabis plants, cannabis flower, cannabis concentrate, artificially derived cannabinoids, hemp-derived consumer products, or edible cannabinoid products is taking place.

(b) A representative of the office performing an inspection under this subdivision must present appropriate credentials to the owner, operator, or agent in charge and clearly state the purpose of the inspection.

(c) After providing the notice required under paragraph (b), a representative of the office may enter the commercial premises and perform any of the following to determine if any person is engaging in activities that are regulated by this chapter and not authorized without the possession of a license and to determine the appropriate penalty under section 342.09, subdivision 6:

(1) inspect and investigate the commercial premises;

(2) inspect and copy records; and

(3) question privately any employer, owner, operator, agent, or employee of the commercial operation.

(d) Entry of a commercial premises must take place during regular working hours or at other reasonable times.

(e) If the office finds any cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product on the inspected commercial premises, the office may either immediately seize the item or affix to the item a tag, withdrawal from distribution order, or other appropriate marking providing notice that the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product is, or is suspected of being, possessed or distributed in violation of this chapter, and has been detained or embargoed, and warning all persons not to remove or dispose of the item by sale or otherwise until permission for removal or disposal is given by the office or the court. It is unlawful for a person to remove or dispose of a detained or embargoed cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product by sale or otherwise without the office's or a court's permission and each transaction may be treated as a sale for the purposes of imposing a penalty pursuant to section 342.09, subdivision 6.

(f) If the office has seized, detained, or embargoed any item pursuant to paragraph (e), the office must:

(1) petition the district court in the county in which the item was found for an order authorizing destruction of the product; and

(2) notify the county attorney in the county where the item was found of the office's actions.

(g) If the court finds that the seized, detained, or embargoed cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product was possessed or distributed in violation of this chapter or rules adopted under this chapter, the office may destroy the cannabis plant, cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product at the expense of the person who possessed or distributed the item in violation of this chapter and all court costs, fees, storage, and other proper expenses must be assessed against the person or the person's agent.

(h) The provisions of subdivision 2, paragraph (f) apply to any analysis or examination performed under this subdivision.

(i) The authorization under paragraph (e) does not apply to any cannabis flower, cannabis product, lower-potency hemp edible, or hemp-derived consumer product lawfully purchased for personal use.

Sec. 66. 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.

~~(c) 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~~ combination business operating a retail location, or lower-potency hemp edible retailer that:

(1) has a valid license or license preapproval issued 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 government shall assess a business's compliance with age verification requirements~~, the~~ and compliance with any applicable ~~operation requirements, and the applicable limits on the types of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products being sold~~ local ordinance established pursuant to section 342.13.

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

~~(c) Checks to ensure compliance with the 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 must be performed at least once each calendar year and may be performed by a law enforcement officer or an employee of the local unit of government.~~

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

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

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

(d) The local unit of government may reinstate the retail registration if the local unit of government determines that any violation has been cured. The local unit of government 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. 67. 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 registry program and the cannabis business holds a medical cannabis retail endorsement.

Sec. 68. 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.

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

Subd. 1a. **Cannabis research.** An institution of higher education, any department or program of an institution of higher education, and any entity working in partnership with an institution of higher education 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 plants and cannabis flower grown for research purposes must not be offered for sale or otherwise enter the stream of commerce. As used in this subdivision, "institution of higher education" has the meaning given in sections 135A.51, subdivision 5, and 136A.28, subdivision 6.

Sec. 70. 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 for licensed businesses upward to meet market demand consistent with the goals identified in section 342.02, subdivision 1. In each licensing period, the office may adjust plant canopy limits for licenses that will be issued in that period upward or downward to meet market demand consistent with the goals identified in section 342.02, subdivision 1, except that the office must not impose a limit of less than 5,000 square feet of plant canopy.

(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~~ for licensed businesses upward to meet market demand consistent with the goals identified in section 342.02, subdivision 1. In each licensing period, the office may adjust the limit for licenses that will be issued in that period upward or downward to meet market demand consistent with the goals identified in section 342.02, subdivision 1, except that the office must not impose a limit of less than one-half acre of mature, flowering plants.

(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).

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

Sec. 71. Minnesota Statutes 2023 Supplement, section 342.28, is amended by adding a subdivision to read:

Subd. 11. **Transportation between facilities.** A cannabis microbusiness may 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 between facilities operated by the cannabis microbusiness if the cannabis microbusiness:

(1) provides the office with the information described in section 342.35, subdivision 2; and

(2) complies with the requirements of section 342.36.

Sec. 72. Minnesota Statutes 2023 Supplement, section 342.29, subdivision 4, is amended to read:

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

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

(c) 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. 73. Minnesota Statutes 2023 Supplement, section 342.29, is amended by adding a subdivision to read:

Subd. 10. **Transportation between facilities.** A cannabis mezzobusiness may 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 between facilities operated by the cannabis mezzobusiness if the cannabis mezzobusiness:

(1) provides the office with the information described in section 342.35, subdivision 2; and

(2) complies with the requirements of section 342.36.

Sec. 74. Minnesota Statutes 2023 Supplement, section 342.30, subdivision 4, is amended to read:

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

(b) Except as provided in paragraph (a), no person, cooperative, or business holding a cannabis cultivator license may own or operate any other cannabis business or hemp business. This prohibition does not prevent the 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 cultivator licenses a person, 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. 75. 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. 76. 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. 77. 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. 78. 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. 79. 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, medical cannabis combination businesses operating a retail location, 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. 80. 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. 81. Minnesota Statutes 2023 Supplement, section 342.46, subdivision 8, is amended to read:

Subd. 8. **On-site consumption.** (a) A lower-potency hemp edible retailer may permit on-site consumption of lower-potency hemp edibles on a portion of its premises if it has an on-site consumption endorsement.

(b) The office shall issue an on-site consumption endorsement to any lower-potency hemp edible retailer that also holds an on-sale license issued under chapter 340A.

(c) A lower-potency hemp edible retailer must ensure that lower-potency hemp edibles sold for on-site consumption comply with this chapter and rules adopted pursuant to this chapter regarding testing.

(d) Lower-potency hemp edibles sold for on-site consumption, other than lower-potency hemp edibles that are intended to be consumed as a beverage, must be served in the required packaging, but may be removed from the products' packaging by customers and consumed on site.

(e) Lower-potency hemp edibles that are intended to be consumed as a beverage may be served outside of ~~their~~ the edibles' packaging ~~provided that~~ if the information that is required to be contained on the label of a lower-potency hemp edible is posted or otherwise displayed by the lower-potency hemp edible retailer. Hemp workers who serve beverages under this paragraph are not required to obtain an edible cannabinoid product handler endorsement under section 342.07, subdivision 3.

(f) Food and beverages not otherwise prohibited by this subdivision may be prepared and sold on site ~~provided that~~ if the lower-potency hemp edible retailer complies with all relevant state and local laws, ordinances, licensing requirements, and zoning requirements.

(g) A lower-potency hemp edible retailer may offer recorded or live entertainment ~~provided that~~ if the lower-potency hemp edible retailer complies with all relevant state and local laws, ordinances, licensing requirements, and zoning requirements.

(h) In addition to the prohibitions under subdivision 7, a lower-potency hemp edible retailer with an on-site consumption endorsement may not:

(1) sell, give, furnish, or in any way procure for another lower-potency hemp edibles ~~to a customer who the lower-potency hemp edible retailer knows or reasonably should know is intoxicated or has consumed alcohol within the previous five hours~~ for the use of an obviously intoxicated person;

(2) sell lower-potency hemp edibles that are designed or reasonably expected to be mixed with an alcoholic beverage; or

(3) permit lower-potency hemp edibles that have been removed from the products' packaging to be removed from the premises of the lower-potency hemp edible retailer.

Sec. 82. **[342.465] LOWER-POTENCY HEMP EDIBLES; PROHIBITED CONDUCT.**

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

Sec. 83. Minnesota Statutes 2023 Supplement, section 342.51, is amended to read:

342.51 MEDICAL CANNABIS ~~RETAILERS~~ ENDORSEMENTS.

Subdivision 1. **Endorsement; authorized actions.** (a) The office may issue a medical cannabis endorsement to a cannabis business authorizing the business to:

(1) cultivate medical cannabis;

(2) process medical cannabinoid products; or

(3) sell or distribute medical cannabis flower and medical cannabinoid products to any person authorized to receive medical cannabis flower or medical cannabinoid products.

(b) The office must issue a medical cannabis cultivation endorsement to a cannabis license holder if the license holder:

(1) is authorized to cultivate cannabis;

(2) submits a medical cannabis endorsement application to the office; and

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

(c) A medical cannabis cultivation endorsement entitles the license holder to grow cannabis plants within the approved amount of space from seed or immature plant to mature plant, harvest cannabis flower from a mature plant, package and label cannabis flower as

medical cannabis flower, sell medical cannabis flower to cannabis businesses with a medical cannabis endorsement, and perform other actions approved by the office.

(d) The office must issue a medical cannabis processor endorsement to a cannabis license holder if the license holder:

(1) is authorized to manufacture cannabis products;

(2) submits a medical cannabis endorsement application to the office; and

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

(e) A medical cannabis processor endorsement entitles the license holder to:

(1) purchase medical cannabis flower, medical cannabinoid products, hemp plant parts, and hemp concentrate from cannabis businesses with a medical cannabis cultivator endorsement or a medical cannabis processor endorsement;

(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 cannabis businesses with a medical cannabis processer endorsement or a medical cannabis retailer endorsement; and

(7) perform other actions approved by the office.

(f) The office must issue a medical cannabis retailer endorsement to a cannabis license holder if the license holder:

(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.

(g) 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~~ cannabis businesses with medical cannabis cultivator endorsements and medical cannabis processor endorsements, and sell or distribute

medical cannabis flower ~~and~~, medical cannabinoid products, and associated paraphernalia to any person authorized to receive medical cannabis flower or medical cannabinoid products.

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

Subd. 2. **Distribution requirements.** (a) Prior to distribution of medical cannabis flower or medical cannabinoid products~~, a medical cannabis retailer licensee~~ to a person enrolled in the 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 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 medical cannabis flower or medical cannabinoid 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 cannabis business with a medical cannabis ~~retailer~~ retail endorsement may not deliver medical cannabis flower or medical cannabinoid products to a person enrolled in the registry program unless the cannabis business with a medical cannabis ~~retailer~~ retail endorsement also holds a cannabis delivery service license. The delivery of medical cannabis flower and medical cannabinoid products are subject to the provisions of section 342.42.

Subd. 3. **Final approval for distribution of medical cannabis flower and medical cannabinoid products.** (a) A cannabis worker who is employed by a cannabis business with a medical cannabis ~~retailer and~~ retail endorsement who is licensed as a pharmacist pursuant to chapter 151 ~~shall be~~ or certified as a medical cannabis consultant by the office is the only person who may give final approval for the distribution of medical cannabis flower and medical cannabinoid products. Prior to the distribution of medical cannabis flower or medical cannabinoid products, a pharmacist or certified medical cannabis consultant employed by the cannabis business with a medical cannabis ~~retailer~~ retail endorsement must consult with the patient to determine the proper type of medical cannabis flower, medical cannabinoid product, or medical cannabis paraphernalia, and the proper dosage for the patient after reviewing the range of chemical compositions of medical cannabis flower or medical cannabinoid product~~.~~ intended for distribution:

(1) if the patient is purchasing the medical cannabis flower or medical cannabinoid product for the first time;

(2) if the patient purchases medical cannabis flower or a medical cannabinoid product that the patient must administer using a different method than the patient's previous method of administration;

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

(4) upon the request of the patient.

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

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

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

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

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

Subd. 5. **Distribution to recipient in a motor vehicle.** A cannabis business with a medical cannabis ~~retailer~~ retail endorsement may distribute medical cannabis flower and medical cannabinoid products to a ~~patient, registered designated caregiver, or parent, legal guardian, or spouse of a patient~~ person enrolled in the registry program who is at a dispensary location but remains in a motor vehicle~~, provided that~~ if:

(1) staff receive payment and distribute medical cannabis flower and medical cannabinoid products in a designated zone that is as close as feasible to the front door of the facility;

(2) the cannabis business with a medical cannabis ~~retailer~~ retail endorsement ensures that the receipt of payment and distribution of medical cannabis flower and medical cannabinoid products are visually recorded by a closed-circuit television surveillance camera and provides any other necessary security safeguards;

(3) the cannabis business with a medical cannabis ~~retailer~~ retail endorsement does not store medical cannabis flower or medical cannabinoid products outside a restricted access area and staff transport medical cannabis flower and medical cannabinoid products from a restricted access area to the designated zone for distribution only after confirming that the ~~patient, designated caregiver, or parent, guardian, or spouse~~ person enrolled in the registry program has arrived in the designated zone;

(4) the payment for and distribution of medical cannabis flower and medical cannabinoid products take place only after ~~a pharmacist consultation takes place, if required under subdivision 3~~ meeting the requirements in subdivision 2;

(5) immediately following the distribution of medical cannabis flower or medical cannabinoid products, staff ~~enter~~ record the transaction in the statewide monitoring system; and

(6) immediately following the distribution of medical cannabis flower and medical cannabinoid products, staff take the payment received into the facility.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 84. Minnesota Statutes 2023 Supplement, section 342.515, subdivision 1, is amended to read:

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. Notwithstanding any law to the contrary, issuance of a medical cannabis combination business license to a medical cannabis manufacturer registered pursuant to section 152.25 cancels the medical cannabis manufacturer registration.

(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 cannabis businesses with a medical cannabis ~~processors~~ processor endorsement, cannabis businesses with a medical cannabis ~~retailers~~ retail endorsement, other medical cannabis combination businesses, and ~~patients enrolled~~ persons 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.

Sec. 85. Minnesota Statutes 2023 Supplement, section 342.515, is amended by adding a subdivision to read:

Subd. 7. **Transportation between facilities.** A medical cannabis combination business may 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 between facilities operated by the medical cannabis combination business if the medical cannabis combination business:

(1) provides the office with the information described in section 342.35, subdivision 2; and

(2) complies with the requirements of section 342.36.

Sec. 86. 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 July 1, 2025.

Sec. 87. 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:

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

(2) the name, mailing address, and telephone number of the patient's health care practitioner;

(3) the name, mailing address, and date of birth of the patient's registered designated caregiver, if any, or the patient's parent, legal guardian, or spouse if the parent, legal guardian, or spouse will be acting as the patient's caregiver;

(4) a disclosure signed by the patient that includes:

(i) a statement that, notwithstanding any law to the contrary, the office ~~of Cannabis Management, the Division of Medical Cannabis,~~ or an employee of the office ~~of Cannabis Management or Division of Medical Cannabis~~ may not be held civilly or criminally liable for any injury, loss of property, personal injury, or death caused by an act or omission while acting within the employee's scope of office or employment under this section; and

(ii) the patient's acknowledgment that enrollment in the registry program is conditional on the patient's agreement to meet all other requirements of this section; and

(5) all other information required by the ~~Division of Medical Cannabis~~ office.

(b) As part of the application under this subdivision, a patient must submit a copy of a certification from the patient's health care practitioner that is dated within 90 days prior to the submission of the application and that certifies that the patient has been diagnosed with a qualifying medical condition.

(c) A patient's health care practitioner may submit a statement to the ~~Division of Medical Cannabis~~ office declaring that the patient is no longer diagnosed with a qualifying medical condition. Within 30 days after receipt of a statement from a patient's health care practitioner, the ~~Division of Medical Cannabis~~ office must provide written notice to a patient stating that the patient's enrollment in the registry program will be revoked in 30 days unless the patient submits a certification from a health care practitioner that the patient is currently diagnosed

with a qualifying medical condition or, if the patient is a veteran, the patient submits confirmation that the patient is currently diagnosed with a qualifying medical condition in a form and manner consistent with the information required for an application made pursuant to subdivision 3. If the ~~Division of Medical Cannabis~~ office revokes a patient's enrollment in the registry program pursuant to this paragraph, the division must provide notice to the patient and to the patient's health care practitioner.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 88. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 3, is amended to read:

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

(b) A patient who is ~~also~~ a veteran receiving care from the United States Department of Veterans Affairs and is seeking to enroll in the registry program must submit to the ~~Division of Medical Cannabis~~ office a copy of the patient's veteran health identification card issued by the United States Department of Veterans Affairs and an application established by the ~~Division of Medical Cannabis that includes the information identified in subdivision 2, paragraph (a), and the additional information required by the Division of Medical Cannabis to certify that the patient has been diagnosed with a qualifying medical condition~~ office to confirm that the veteran has been diagnosed with a condition that may benefit from the therapeutic use of medical cannabis.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 89. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 4, is amended to read:

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

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

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

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

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

(4) provided false information on the application; or

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

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

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

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

(2) upon the death of the patient;

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 90. Minnesota Statutes 2023 Supplement, section 342.52, subdivision 5, is amended to read:

Subd. 5. **Registry verification.** When a patient is enrolled in the registry program, the ~~Division of Medical Cannabis~~ office must assign the patient a patient registry number and 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 July 1, 2025.

Sec. 91. 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 cannabis business with a medical cannabis ~~retailer~~ retail endorsement; or cultivating cannabis plants as permitted by section 342.09, subdivision 2.

(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 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.

(d) Notwithstanding any law to the contrary, a registered designated caregiver approved to assist a patient enrolled in the registry program with obtaining medical cannabis flower may cultivate cannabis plants on behalf of one patient. A registered designated caregiver may grow up to eight cannabis plants for the patient household that the registered designated caregiver is approved to assist with obtaining medical cannabis flower. If a patient enrolled in the registry program directs the patient's registered designated caregiver to cultivate cannabis plants on behalf of the patient, the patient must assign the patient's right to cultivate cannabis plants to the registered designated caregiver and the patient is prohibited from cultivating cannabis plants for personal use. Nothing in this paragraph limits the right of a registered designated caregiver cultivating cannabis plants on behalf of a patient enrolled in the registry program to also cultivate cannabis plants for personal use pursuant to section 342.09, subdivision 2.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 92. 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 July 1, 2025.

Sec. 93. Minnesota Statutes 2023 Supplement, section 342.53, is amended to read:

342.53 DUTIES OF OFFICE OF CANNABIS MANAGEMENT; APPROVAL OF CANNABINOID PRODUCTS FOR REGISTRY PROGRAM.

The office may add an allowable form of medical cannabinoid product~~, and may add or modify a qualifying medical condition upon its own initiative,~~ upon a petition from a member of the public or from the Cannabis Advisory Council or as directed by law. The office must evaluate all petitions and must make the addition ~~or modification~~ if the office determines

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

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 94. Minnesota Statutes 2023 Supplement, section 342.54, is amended to read:

342.54 DUTIES OF ~~DIVISION OF MEDICAL CANNABIS~~ OFFICE OF CANNABIS MANAGEMENT; REGISTRY PROGRAM.

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

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

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

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

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

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

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

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

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

(3) maintain safety criteria with which patients must comply as a condition of participation in the registry program to prevent patients from undertaking any task under the influence of medical cannabis flower or medical cannabinoid products that would constitute negligence or professional malpractice;

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

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

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

(b) The ~~Division of Medical Cannabis~~ office may submit medical research based on the data collected under sections 342.55, subdivision 2, and data collected through the statewide monitoring system to any federal agency with regulatory or enforcement authority over medical cannabis flower and medical cannabinoid products to demonstrate the effectiveness

of medical cannabis flower or medical cannabinoid products for treating or alleviating the symptoms of a qualifying medical condition.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 95. Minnesota Statutes 2023 Supplement, section 342.55, subdivision 1, is amended to read:

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

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

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

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

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

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

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 96. Minnesota Statutes 2023 Supplement, section 342.55, subdivision 2, is amended to read:

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

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

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

(3) determine ~~on a yearly basis~~, every three years, if the patient continues to have a qualifying medical condition and, if so, issue the patient a new certification of that diagnosis. The patient assessment conducted under this clause may be conducted via telehealth, as defined in section 62A.673, subdivision 2; and

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

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 97. Minnesota Statutes 2023 Supplement, section 342.56, subdivision 1, is amended to read:

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

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

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

(i) on a school bus or van;

(ii) in a correctional facility;

(iii) in a state-operated treatment program, including the Minnesota sex offender program; or

(iv) on the grounds of a child care facility or family or group family day care program;

(3) vaporizing or smoking medical cannabis:

(i) on any form of public transportation;

(ii) where the vapor would be inhaled by a nonpatient minor or where the smoke would be inhaled by a minor; or

(iii) in any public place, including any indoor or outdoor area used by or open to the general public or a place of employment, as defined in section 144.413, subdivision 1b; and

(4) operating, navigating, or being in actual physical control of a motor vehicle, aircraft, train, or motorboat or working on transportation property, equipment, or facilities while 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, 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 July 1, 2025.

Sec. 98. 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~~ controlled substance pursuant to the federal Uniform Controlled Substances Act. If a federal regulatory agency, the United States Department of Justice, or the federal Centers for Medicare and Medicaid Services takes one of the following actions, a facility or provider may suspend compliance with this paragraph until the regulatory agency, the United States

Department of Justice, or the federal Centers for Medicare and Medicaid Services notifies the facility or provider that it may resume permitting the use of medical cannabis flower or medical cannabinoid products within the facility or in the provider's service setting:

(1) a federal regulatory agency or the United States Department of Justice initiates enforcement action against a facility or provider related to the facility's compliance with the medical cannabis program; or

(2) a federal regulatory agency, the United States Department of Justice, or the federal Centers for Medicare and Medicaid Services issues a rule or otherwise provides notification to the facility or provider that expressly prohibits the use of medical cannabis in health care facilities or otherwise prohibits compliance with the medical cannabis program.

(c) An employee or agent of a facility or provider listed in this subdivision or a person licensed under chapter 144E is not violating this chapter or chapter 152 for the possession of medical cannabis flower or medical cannabinoid products while carrying out employment duties, including providing or supervising care to a patient enrolled in the registry program, or distribution of medical cannabis flower or medical cannabinoid products to a patient enrolled in the registry program who resides at or is actively receiving treatment or care at the facility or from the provider with which the employee or agent is affiliated.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 99. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 1, is amended to read:

Subdivision 1. **Presumption.** There is a presumption that a patient or other person enrolled in the registry program is engaged in the authorized use or possession of medical cannabis flower and medical cannabinoid products. This presumption may be rebutted by evidence that the ~~patient's use of medical cannabis flower or medical cannabinoid products~~ use or possession of medical cannabis flower or medical cannabinoid products by a patient or other person enrolled in the registry program was not for the purpose of assisting with, treating, or alleviating the patient's qualifying medical condition or symptoms associated with the patient's qualifying medical condition.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 100. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 2, is amended to read:

Subd. 2. **Criminal and civil protections.** (a) Subject to section 342.56, the following are not violations of this chapter or chapter 152:

(1) use or possession of medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia by a patient enrolled in the registry program or by a visiting patient to whom medical cannabis flower or medical cannabinoid products are distributed under section 342.51, subdivision 5;

(2) possession of medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia by a registered designated caregiver or a parent, legal guardian, or spouse of a patient enrolled in the registry program; or

(3) possession of medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia by any person while carrying out duties required under sections ~~342.47~~ 342.51 to 342.60.

(b) The Office of Cannabis Management, members of the Cannabis Advisory Council, Office of Cannabis Management employees, agents or contractors of the Office of Cannabis Management, and health care practitioners participating in the registry program are not subject to any civil penalties or disciplinary action by the Board of Medical Practice, the Board of Nursing, or any business, occupational, or professional licensing board or entity solely for participating in the registry program either in a professional capacity or as a patient. A pharmacist licensed under chapter 151 is not subject to any civil penalties or disciplinary action by the Board of Pharmacy when acting in accordance with sections ~~342.47~~ 342.51 to 342.60 either in a professional capacity or as a patient. Nothing in this section prohibits a professional licensing board from taking action in response to a violation of law.

(c) Notwithstanding any law to the contrary, a Cannabis Advisory Council member, the governor, or an employee of a state agency must not be held civilly or criminally liable for any injury, loss of property, personal injury, or death caused by any act or omission while acting within the scope of office or employment under sections ~~342.47~~ 342.51 to 342.60.

(d) Federal, state, and local law enforcement authorities are prohibited from accessing the registry except when acting pursuant to a valid search warrant. Notwithstanding section 13.09, a violation of this paragraph is a gross misdemeanor.

(e) Notwithstanding any law to the contrary, the office and employees of the office must not release data or information about an individual contained in any report or document or in the registry and must not release data or information obtained about a patient enrolled in the registry program, except as provided in sections ~~342.47~~ 342.51 to 342.60. Notwithstanding section 13.09, a violation of this paragraph is a gross misdemeanor.

(f) No information contained in a report or document, contained in the registry, or obtained from a patient under sections ~~342.47~~ 342.51 to 342.60 may be admitted as evidence in a criminal proceeding, unless:

(1) the information is independently obtained; or

(2) admission of the information is sought in a criminal proceeding involving a criminal violation of sections ~~342.47~~ 342.51 to 342.60.

(g) Possession of a registry verification or an application for enrollment in the registry program:

(1) does not constitute probable cause or reasonable suspicion;

(2) must not be used to support a search of the person or property of the person with a registry verification or application to enroll in the registry program; and

(3) must not subject the person or the property of the person to inspection by any government agency.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 101. Minnesota Statutes 2023 Supplement, section 342.57, subdivision 4, is amended to read:

Subd. 4. **Medical care.** For purposes of medical care, including organ transplants, a patient's use of medical cannabis flower or medical cannabinoid products according to sections ~~342.47~~ 342.51 to 342.60 is considered the equivalent of the authorized use of a medication used at the discretion of a health care practitioner and does not disqualify a patient from needed medical care.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 102. Minnesota Statutes 2023 Supplement, section 342.60, is amended to read:

342.60 APPLIED RESEARCH.

The ~~Division of Medical Cannabis~~ office may conduct, or award grants to health care providers or research organizations to conduct, applied research on the safety and efficacy of using medical cannabis flower or medical cannabinoid products to treat a specific health condition. A health care provider or research organization receiving a grant under this section must provide the office with access to all data collected in applied research funded under this section. The office may use data from applied research conducted or funded under this section as evidence to approve additional qualifying medical conditions or additional allowable forms of medical cannabis.

EFFECTIVE DATE. This section is effective July 1, 2025.

Sec. 103. Minnesota Statutes 2023 Supplement, section 342.61, subdivision 1, is amended to read:

Subdivision 1. **Testing required.** (a) Cannabis businesses and hemp businesses shall not sell or offer for sale cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products to another cannabis business or hemp business, or to a customer or patient, or otherwise transfer cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products to another cannabis business or hemp business, unless:

(1) a representative sample of the batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products has been tested according to this section and rules adopted under this chapter;

(2) the testing was completed by a cannabis testing facility licensed under this chapter or meeting the requirements of paragraph (b); and

(3) the tested sample of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products was found to meet testing standards established by the office.

(b) Testing of lower-potency hemp edibles and hemp-derived consumer products that do not contain intoxicating cannabinoids may be performed by any laboratory that has been accredited pursuant to standard ISO/IEC 17025 of the International Organization for Standardization with specific accreditation for cannabis testing.

Sec. 104. Minnesota Statutes 2023 Supplement, section 342.61, subdivision 4, is amended to read:

Subd. 4. **Testing of samples; disclosures.** (a) On a schedule determined by the office, every 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 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.

Sec. 105. 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 hemp edibles, or hemp-derived consumer products for sale to customers or patients. If a sample does not meet the applicable testing standards or if the testing facility is unable to test for a substance identified pursuant to subdivision 4, paragraph (b), the batch from which the sample was taken shall be subject to procedures established by the office for such batches, including destruction, remediation, or retesting.

(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 maintain the test results for cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products grown, manufactured, or imported by that cannabis business or hemp business for at least five years after the date of testing.

(c) 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 shall make test results maintained by that cannabis business or hemp business available for review by any member of the public, upon request. Test results made available to the public must be in plain language.

Sec. 106. Minnesota Statutes 2023 Supplement, section 342.62, is amended by adding a subdivision to read:

Subd. 4. **Prohibition of sale of certain empty packaging.** No person shall sell, offer for sale, or facilitate the sale of empty packaging that, if used, would be a violation of any provision of this section. Enforcement of this subdivision is subject to section 8.31.

Sec. 107. Minnesota Statutes 2023 Supplement, section 342.63, subdivision 2, is amended to read:

Subd. 2. **Content of label; cannabis.** All cannabis flower and hemp-derived consumer products that consist of hemp plant parts sold to customers or patients must have affixed

on the packaging or container of the cannabis flower or hemp-derived consumer 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~~ combination business, or industrial hemp grower where the cannabis flower or hemp plant part was cultivated;

(2) the net weight or volume of cannabis flower or hemp plant parts in the package or container;

(3) the batch number;

(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~~ 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.

Sec. 108. 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~~ combination business, 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~~ combination business, 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, lower-potency hemp edible manufacturer, or medical cannabis ~~processor~~ combination business 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;

(4) the type of cannabis product, lower-potency hemp edible, or hemp-derived consumer product;

(5) the batch number;

(6) the serving size;

(7) the cannabinoid profile per serving and in total;

(8) a list of ingredients;

(9) 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;

(10) a warning symbol developed by the office in consultation with the commissioner of health and the Minnesota Poison Control System that:

(i) is at least three-quarters of an inch tall and six-tenths of an inch wide;

(ii) is in a highly visible color;

(iii) includes a visual element that is commonly understood to mean a person should stop;

(iv) indicates that the product is not for children; and

(v) includes the phone number of the Minnesota Poison Control System;

(11) verification that the cannabis product, lower-potency hemp edible, hemp-derived consumer product, or medical cannabinoid product was tested according to section 342.61 and that the cannabis product, lower-potency hemp edible, hemp-derived consumer product, or medical cannabinoid product complies with the applicable standards;

(12) ~~the maximum dose, quantity, or consumption that may be considered medically safe within a 24-hour period~~ information on the usage of the product;

(13) the following statement: "Keep this product out of reach of children."; and

(14) any other statements or information required by the office.

(b) The office may by rule establish alternative labeling requirements for lower-potency hemp edibles that are imported into the state ~~provided that~~ if those requirements provide consumers with information that is substantially similar to the information described in paragraph (a).

Sec. 109. Minnesota Statutes 2023 Supplement, section 342.63, subdivision 6, is amended to read:

Subd. 6. **Additional information.** (a) A cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, ~~medical cannabis retailer,~~ or medical cannabis combination business must provide customers and patients with the following information:

(1) factual information about impairment effects and the expected timing of impairment effects, side effects, adverse effects, and health risks of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(2) a statement that customers and patients must not operate a motor vehicle or heavy machinery while under the influence of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(3) resources customers and patients may consult to answer questions about cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products, and any side effects and adverse effects;

(4) contact information for the poison control center and a safety hotline or website for customers to report and obtain advice about side effects and adverse effects of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(5) substance use disorder treatment options; and

(6) any other information specified by the office.

(b) A cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis ~~retailer~~ combination business may include the information described in paragraph (a) on the label affixed to the packaging or container of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products by:

(1) posting the information in the premises of the cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, ~~medical cannabis retailer,~~ or medical cannabis combination business; or

(2) providing the information on a separate document or pamphlet provided to customers or patients when the customer purchases cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product.

Sec. 110. Minnesota Statutes 2023 Supplement, section 342.64, subdivision 1, is amended to read:

Subdivision 1. **Limitations applicable to all advertisements.** Cannabis businesses, hemp businesses, and other persons shall not publish or cause to be published an advertisement for a cannabis business, a hemp business, cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product in a manner that:

(1) contains false or misleading statements;

(2) contains unverified claims about the health or therapeutic benefits or effects of consuming cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(3) promotes the overconsumption of cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(4) depicts a person under 21 years of age consuming cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product; or

(5) includes an image designed or likely to appeal to individuals under 21 years of age, including cartoons, toys, animals, candy, dessert, or children, or any other likeness to images, characters, or phrases that is designed to be appealing to individuals under 21 years of age or encourage consumption by individuals under 21 years of age; ~~and~~

(6) contains an image of alcohol or a person or persons consuming alcohol; and

(7) does not contain a warning as specified by the office regarding impairment and health risks.

Sec. 111. Minnesota Statutes 2023 Supplement, section 342.73, subdivision 4, is amended to read:

Subd. 4. **Loan financing grants.** (a) The CanGrow revolving loan account is established in the special revenue fund. Money in the account, including interest, is appropriated to the ~~commissioner~~ office to make loan financing grants under the CanGrow program.

(b) The office must award grants to nonprofit corporations through a competitive grant process.

(c) To receive grant money, a nonprofit corporation must submit a written application to the office using a form developed by the office.

(d) In awarding grants under this subdivision, the office shall give weight to whether the nonprofit corporation:

(1) has a board of directors that includes individuals experienced in agricultural business development;

(2) has the technical skills to analyze projects;

(3) is familiar with other available public and private funding sources and economic development programs;

(4) can initiate and implement economic development projects;

(5) can establish and administer a revolving loan account; and

(6) has established relationships with communities where long-term residents are eligible to be social equity applicants.

The office shall make grants that will help farmers enter the legal cannabis industry throughout the state.

(e) A nonprofit corporation that receives grants under the program must:

(1) establish an office-certified revolving loan account for the purpose of making eligible loans; and

(2) enter into an agreement with the office that the office shall fund loans that the nonprofit corporation makes to farmers entering the legal cannabis industry. The office shall review existing agreements with nonprofit corporations every five years and may renew or terminate an agreement based on that review. In making this review, the office shall consider, among other criteria, the criteria in paragraph (d).

Sec. 112. Minnesota Statutes 2023 Supplement, section 342.80, is amended to read:

342.80 LAWFUL ACTIVITIES.

(a) Notwithstanding any law to the contrary, the cultivation, manufacturing, possessing, and selling of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and hemp-derived consumer products by a licensed cannabis business or hemp business in conformity with the rights granted by a cannabis business license or hemp business license is lawful and may not be the grounds for the seizure or forfeiture of property, arrest or prosecution, or search or inspections except as provided by this chapter.

(b) A person acting as an agent of a cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, medical cannabis combination business, or lower-potency hemp edible retailer who sells or otherwise transfers cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products to a person under 21 years of age is not subject to arrest, prosecution, or forfeiture of property if the person complied with section 342.27, subdivision 4, and any rules promulgated pursuant to this chapter.

Sec. 113. Laws 2023, chapter 63, article 1, section 2, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective July 1, 2023~~, except for subdivision 3, which is effective March 1, 2025~~.

Sec. 114. Laws 2023, chapter 63, article 1, section 51, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 115. Laws 2023, chapter 63, article 1, section 52, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March 1, 2025~~ the day following final enactment.

Sec. 116. Laws 2023, chapter 63, article 1, section 53, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 117. Laws 2023, chapter 63, article 1, section 54, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 118. Laws 2023, chapter 63, article 1, section 55, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 119. Laws 2023, chapter 63, article 1, section 56, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 120. Laws 2023, chapter 63, article 1, section 57, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 121. Laws 2023, chapter 63, article 1, section 58, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 122. Laws 2023, chapter 63, article 1, section 59, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 123. Laws 2023, chapter 63, article 1, section 61, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, 2025.

Sec. 124. Laws 2023, chapter 63, article 6, section 10, the effective date, is amended to read:

EFFECTIVE DATE. This section is effective ~~March~~ July 1, ~~2025~~ 2024.

Sec. 125. Laws 2023, chapter 63, article 6, section 73, the effective date, is amended to read:

EFFECTIVE DATE. Paragraph (a) is effective ~~March~~ December 1, 2025. Paragraph (b) is effective August 1, 2023. Paragraph (c) is effective July 1, 2023.

Sec. 126. **EMPLOYEE TRANSFER.**

(a) The powers and duties of the Department of Health with respect to the sale of certain cannabinoid products under Minnesota Statutes, section 151.72, are transferred to the Office of Cannabis Management under Minnesota Statutes, 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 at 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.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 127. **TRANSFER OF ACTIVE AND INACTIVE COMPLAINTS.**

The Department of Health shall transfer all data, including not public data as defined in Minnesota Statutes, section 13.02, subdivision 8a, on active complaints and inactive complaints involving alleged violations of Minnesota Statutes 2023 Supplement, section 151.72, as well as registration data collected under Minnesota Statutes 2023 Supplement, section 151.72, subdivision 5b, to the Office of Cannabis Management. The Department of Health and the Office of Cannabis Management shall ensure that the transfer takes place in a manner and on a schedule that prioritizes public health.

EFFECTIVE DATE. This section is effective July 1, 2024.

Sec. 128. **TRANSFER OF MEDICAL PROGRAM.**

(a) Notwithstanding the data's classification under Minnesota Statutes, chapter 13, the Office of Cannabis Management may access data maintained by the commissioner of health related to the responsibilities transferred under Minnesota Statutes, section 342.02, subdivision 3. Data sharing authorized by this subdivision includes not public data as defined in Minnesota Statutes, section 13.02, subdivision 8a, on active complaints and inactive complaints involving any alleged violation of Minnesota Statutes, sections 152.22 to 152.37, by a medical cannabis manufacturer. Data sharing under this paragraph further includes data in patient files maintained by the commissioner and the health care practitioner and data submitted to or by a medical cannabis manufacturer classified as private data on individuals, as defined in Minnesota Statutes, section 13.02, subdivision 12, or nonpublic data, as defined in Minnesota Statutes, section 13.02, subdivision 9. Any data shared under this section retain the data's classification from the agency holding the data.

(b) All rules adopted by the commissioner of health pursuant to Minnesota Statutes, sections 152.22 to 152.37, including but not limited to Minnesota Rules, chapter 4770, remain effective and shall be enforced until amended or repealed consistent with Minnesota Statutes, section 15.039, subdivision 3.

(c) The director of the Office of Cannabis Management may use the good cause exempt rulemaking process under Minnesota Statutes, section 14.388, subdivision 1, clauses (3) and (4), to copy and adopt any portions of Minnesota Rules, parts 4770.0100 to 4770.4030, that are necessary to effectuate the transfer of authority granted under Minnesota Statutes, section 342.02, subdivision 3. The commissioner may make technical changes and any changes necessary to conform with the transfer of authority. Any change to the rules that is not authorized under this paragraph must be adopted according to Minnesota Statutes, sections 14.001 to 14.366.

(d) Unless otherwise specified in this section or Minnesota Statutes, section 342.02, subdivision 3, transfer of the powers, duties, rights, obligations, and other authority imposed by law on the Department of Health with respect to the medical cannabis program under Minnesota Statutes 2022, sections 152.22 to 152.37, to the Office of Cannabis Management is subject to Minnesota Statutes, section 15.039.

Sec. 129. **REPEALER.**

(a) Minnesota Statutes 2022, sections 152.22, subdivision 3; and 152.36, are repealed.

(b) Minnesota Statutes 2023 Supplement, sections 342.01, subdivision 28; 342.18, subdivision 1; 342.27, subdivision 13; and 342.29, subdivision 9, are repealed.

(c) Minnesota Statutes 2023 Supplement, sections 342.47; 342.48; 342.49; and 342.50, are repealed.

(d) Laws 2023, chapter 63, article 7, sections 4; and 6, are repealed.

EFFECTIVE DATE. Paragraphs (a), (b), and (d) are effective the day following final enactment. Paragraph (c) is effective July 1, 2025.

Sec. 130. **EFFECTIVE DATE.**

Except as otherwise provided, this act is effective the day following final enactment.

152.22 DEFINITIONS.

Subd. 3. **Disqualifying felony offense.** "Disqualifying felony offense" means a violation of a state or federal controlled substance law that is a felony under Minnesota law, or would be a felony if committed in Minnesota, regardless of the sentence imposed, unless the commissioner determines that the person's conviction was for the medical use of cannabis or assisting with the medical use of cannabis.

152.36 IMPACT ASSESSMENT OF MEDICAL CANNABIS THERAPEUTIC RESEARCH.

Subdivision 1. **Task force on medical cannabis therapeutic research.** (a) A 23-member task force on medical cannabis therapeutic research is created to conduct an impact assessment of medical cannabis therapeutic research. The task force shall consist of the following members:

(1) two members of the house of representatives, one selected by the speaker of the house, the other selected by the minority leader;

(2) two members of the senate, one selected by the majority leader, the other selected by the minority leader;

(3) four members representing consumers or patients enrolled in the registry program, including at least two parents of patients under age 18;

(4) four members representing health care providers, including one licensed pharmacist;

(5) four members representing law enforcement, one from the Minnesota Chiefs of Police Association, one from the Minnesota Sheriff's Association, one from the Minnesota Police and Peace Officers Association, and one from the Minnesota County Attorneys Association;

(6) four members representing substance use disorder treatment providers; and

(7) the commissioners of health, human services, and public safety.

(b) Task force members listed under paragraph (a), clauses (3), (4), (5), and (6), shall be appointed by the governor under the appointment process in section 15.0597. Members shall serve on the task force at the pleasure of the appointing authority. All members must be appointed by July 15, 2014, and the commissioner of health shall convene the first meeting of the task force by August 1, 2014.

(c) There shall be two cochairs of the task force chosen from the members listed under paragraph (a). One cochair shall be selected by the speaker of the house and the other cochair shall be selected by the majority leader of the senate. The authority to convene meetings shall alternate between the cochairs.

(d) Members of the task force other than those in paragraph (a), clauses (1), (2), and (7), shall receive expenses as provided in section 15.059, subdivision 6.

Subd. 1a. **Administration.** The commissioner of health shall provide administrative and technical support to the task force.

Subd. 2. **Impact assessment.** The task force shall hold hearings to evaluate the impact of the use of medical cannabis and hemp and Minnesota's activities involving medical cannabis and hemp, including, but not limited to:

(1) program design and implementation;

(2) the impact on the health care provider community;

(3) patient experiences;

(4) the impact on the incidence of substance abuse;

(5) access to and quality of medical cannabis, hemp, and medical cannabis products;

(6) the impact on law enforcement and prosecutions;

(7) public awareness and perception; and

(8) any unintended consequences.

Subd. 3. **Cost assessment.** By January 15 of each year, beginning January 15, 2015, and ending January 15, 2019, the commissioners of state departments impacted by the medical cannabis therapeutic research study shall report to the cochairs of the task force on the costs incurred by each

department on implementing sections 152.22 to 152.37. The reports must compare actual costs to the estimated costs of implementing these sections and must be submitted to the task force on medical cannabis therapeutic research.

Subd. 4. **Reports to the legislature.** (a) The cochairs of the task force shall submit the following reports to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over health and human services, public safety, judiciary, and civil law:

(1) by February 1, 2015, a report on the design and implementation of the registry program; and every two years thereafter, a complete impact assessment report; and

(2) upon receipt of a cost assessment from a commissioner of a state agency, the completed cost assessment.

(b) The task force may make recommendations to the legislature on whether to add or remove conditions from the list of qualifying medical conditions.

Subd. 5. **No expiration.** The task force on medical cannabis therapeutic research does not expire.

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.

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;

(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:

(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.

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.