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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3996

03/05/2026 Authored by Hudson and Rehrauer The bill was read for the first time and referred to the Committee on Commerce Finance and Policy

1.1 A bill for an act
1.2 relating to cannabis; requiring cannabis business license applications to be available
1.3 in Spanish; amending Minnesota Statutes 2025 Supplement, section 342.14,
1.4 subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2025 Supplement, section 342.14, subdivision 1, is amended
1.7 to read:

1.8 Subdivision 1. Application; contents. (a) The office shall establish procedures for the
1.9 processing of cannabis licenses issued under this chapter. At a minimum, any application
1.10 to obtain or renew a cannabis license shall must be available in English and Spanish and
1.11 must include the following information, if applicable:

- 1.12 (1) the name, address, and date of birth of the applicant;
1.13 (2) the disclosure of ownership and control required under paragraph (b);
1.14 (3) the disclosure of whether the applicant or, if the applicant is a business, any officer,
1.15 director, manager, and general partner of the business has ever filed for bankruptcy;
1.16 (4) the address and legal property description of the business, if applicable, except an
1.17 applicant is not required to secure a physical premises for the business at the time of
1.18 application;
1.19 (5) a general description of the location or locations that the applicant plans to operate,
1.20 including the planned square feet of space for cultivation, wholesaling, and retailing, as
1.21 applicable;

- 2.1 (6) a copy of the security plan, including security monitoring, security equipment, and
2.2 facility maps if applicable, except an applicant is not required to secure a physical premises
2.3 for the business at the time of application;
- 2.4 (7) proof of trade name registration;
- 2.5 (8) a copy of the applicant's business plan showing the expected size of the business;
2.6 anticipated growth; the methods of record keeping; the knowledge and experience of the
2.7 applicant and any officer, director, manager, and general partner of the business; the
2.8 environmental plan; and other relevant financial and operational components;
- 2.9 (9) standard operating procedures for:
- 2.10 (i) quality assurance;
- 2.11 (ii) inventory control, storage, and diversion prevention; and
- 2.12 (iii) accounting and tax compliance;
- 2.13 (10) an attestation signed by a bona fide labor organization stating that the applicant has
2.14 entered into a labor peace agreement;
- 2.15 (11) a description of any training and education that the applicant will provide to
2.16 employees of the business;
- 2.17 (12) a disclosure of any violation of a license agreement or a federal, state, or local law
2.18 or regulation committed by the applicant or any true party of interest in the applicant's
2.19 business that is relevant to business and working conditions;
- 2.20 (13) certification that the applicant will comply with the requirements of this chapter;
- 2.21 (14) identification of one or more controlling persons or managerial employees as agents
2.22 who shall be responsible for dealing with the office on all matters;
- 2.23 (15) a statement that the applicant agrees to respond to the office's supplemental requests
2.24 for information;
- 2.25 (16) a release of information for the applicant and every true party of interest in the
2.26 applicant's business license for the office to perform the background checks required under
2.27 section 342.15;
- 2.28 (17) proof that the applicant is a social equity applicant; and
- 2.29 (18) an attestation that the applicant's business policies governing business operations
2.30 comply with this chapter.

3.1 (b) An applicant must file and update as necessary a disclosure of ownership and control
3.2 identifying any true party of interest as defined in section 342.185, subdivision 1, paragraph
3.3 (g). The office shall establish the contents of the disclosure. Except as provided in paragraph
3.4 (e), the disclosure shall, at a minimum, include the following:

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

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

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

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

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

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

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

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

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

3.27 (d) A labor peace agreement entered into on or after August 15, 2025, must address the
3.28 duration of the election.

3.29 (e) The office may establish exceptions to the disclosures required under paragraph (b)
3.30 for members of a cooperative who hold less than a five percent ownership interest in the
3.31 cooperative.

3.32 **EFFECTIVE DATE.** This section is effective January 1, 2027.