

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 4403

(SENATE AUTHORS: DIBBLE and Port)

DATE	D-PG	OFFICIAL STATUS
03/12/2026	6667	Introduction and first reading
		Referred to Commerce and Consumer Protection
03/17/2026	6756	Author added Port

1.1 A bill for an act

1.2 relating to cannabis; making technical changes to cannabis business licensing

1.3 provisions; amending Minnesota Statutes 2024, sections 342.02, subdivision 2;

1.4 342.23, subdivision 5; 342.27, subdivision 2; 342.37, subdivision 1; 342.39,

1.5 subdivision 1; Minnesota Statutes 2025 Supplement, sections 342.12; 342.14,

1.6 subdivision 3; 342.16; repealing Minnesota Statutes 2024, section 151.72,

1.7 subdivisions 1, 2, 4, 5, 5b, 5c, 6, 7; Minnesota Statutes 2025 Supplement, section

1.8 151.72, subdivisions 3, 5a.

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

1.10 Section 1. Minnesota Statutes 2024, section 342.02, subdivision 2, is amended to read:

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

1.12 (1) to develop, maintain, and enforce an organized system of regulation for the cannabis

1.13 industry and hemp consumer industry;

1.14 (2) to establish programming, services, and notification to protect, maintain, and improve

1.15 the health of citizens;

1.16 (3) to prevent unauthorized access to cannabis flower, cannabis products, lower-potency

1.17 hemp edibles, and hemp-derived consumer products by individuals under 21 years of age;

1.18 (4) to establish and regularly update standards for product manufacturing, testing,

1.19 packaging, and labeling, including requirements for an expiration, sell-by, or best-used-by

1.20 date;

1.21 (5) to promote economic growth with an emphasis on growth in areas that experienced

1.22 a disproportionate, negative impact from cannabis prohibition;

1.23 (6) to issue and renew licenses;

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

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

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

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

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

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

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

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

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

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

2.31 (17) to establish limits on the potency of cannabis flower and cannabis products that can
2.32 be sold to customers by licensed cannabis retailers, licensed cannabis microbusinesses, and

3.1 licensed cannabis mezzobusinesses with an endorsement to sell cannabis flower and cannabis
3.2 products to customers;

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

3.6 (19) to order a person or business that cultivates cannabis flower or manufactures or
3.7 produces cannabis products, medical cannabinoid products, artificially derived cannabinoids,
3.8 lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical
3.9 products to recall any cannabis flower, product, or ingredient containing cannabinoids that
3.10 is used in a product if the office determines that the flower, product, or ingredient represents
3.11 a risk of causing a serious adverse incident; and

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

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

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

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

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

3.24 Sec. 2. Minnesota Statutes 2025 Supplement, section 342.12, is amended to read:

3.25 **342.12 LICENSES; TRANSFERS; ADJUSTMENTS.**

3.26 (a) Licenses issued under this chapter that are available to all applicants pursuant to
3.27 section 342.14, subdivision 1b, paragraph (c), may be freely transferred subject to the prior
3.28 written approval of the office unless the license holder has not received a final site inspection
3.29 or the license holder is a social equity applicant.

3.30 (b) Licenses issued as social equity licenses pursuant to either section 342.14, subdivision
3.31 1b, paragraph (b), or section 342.175, paragraph (b), may only be transferred to another
3.32 social equity applicant for three years after the date on which the office issues the license.

4.1 Three years after the date of issuance, a license holder may transfer a license to any entity.
4.2 Transfer of a license that was issued as a social equity license must be reviewed by the
4.3 Division of Social Equity and is subject to the prior written approval of the office.

4.4 (c) Preliminary license approval issued pursuant to section 342.14, subdivision 5, may
4.5 not be transferred.

4.6 (d) A new license must be obtained when:

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

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

4.12 (e) Licenses must be renewed annually.

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

4.15 (g) The office by rule may permit the relocation of a licensed cannabis business; permit
4.16 the relocation of an approved operational location, including a cultivation, manufacturing,
4.17 processing, or retail location; adopt requirements for the submission of a license relocation
4.18 application; establish standards for the approval of a relocation application; and charge a
4.19 fee not to exceed \$250 for reviewing and processing applications. Relocation of a licensed
4.20 premises pursuant to this paragraph does not extend or otherwise modify the license term
4.21 of the license subject to relocation.

4.22 Sec. 3. Minnesota Statutes 2025 Supplement, section 342.14, subdivision 3, is amended
4.23 to read:

4.24 Subd. 3. **Review.** (a) After an applicant submits an application that contains all required
4.25 information and pays the applicable application fee, the office must review the application.

4.26 (b) The office may deny an application if:

4.27 (1) the application is incomplete;

4.28 (2) the application contains a materially false statement about the applicant or omits
4.29 information required under subdivision 1;

4.30 (3) the applicant does not meet the qualifications under section 342.16;

5.1 (4) the applicant is prohibited from holding the license under section 342.18, subdivision
5.2 2;

5.3 (5) the application does not meet the minimum requirements under section 342.18,
5.4 subdivision 3;

5.5 (6) the applicant fails to pay the applicable application fee;

5.6 (7) the application was not submitted by the application deadline;

5.7 (8) the applicant submitted more than one application for a license type; or

5.8 (9) the office determines that the applicant would be prohibited from holding a license
5.9 for any other reason.

5.10 (c) If the office denies an application, the office must notify the applicant of the denial
5.11 and the basis for the denial.

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

5.16 (e) An applicant whose application is not denied under this subdivision is a qualified
5.17 applicant.

5.18 (f) An applicant's status as a qualified applicant under this section expires after six
5.19 months. For an applicant who achieved qualified applicant status before June 1, 2026,
5.20 qualified applicant status expires on January 1, 2027. The office must deny an application
5.21 submitted by an applicant whose qualified applicant status has expired. An applicant whose
5.22 qualified applicant status expired may apply anew according to this section.

5.23 (g) If the office determines that an applicant is not eligible for a license under this section,
5.24 the office may revoke the applicant's qualified applicant status.

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

5.26 Sec. 4. Minnesota Statutes 2025 Supplement, section 342.16, is amended to read:

5.27 **342.16 CANNABIS BUSINESSES; GENERAL OWNERSHIP**
5.28 **DISQUALIFICATIONS AND REQUIREMENTS.**

5.29 (a) A license holder or an applicant must meet each of the following requirements, if
5.30 applicable, to hold or receive a cannabis license issued under this chapter:

5.31 (1) be at least 21 years of age;

- 6.1 (2) have completed an application for licensure or application for renewal;
- 6.2 (3) have paid the applicable application fee and license fee;
- 6.3 (4) if the applicant or license holder is a business entity, be incorporated in the state or
6.4 otherwise formed or organized under the laws of the state;
- 6.5 (5) not be employed by the office or any state agency with regulatory authority under
6.6 this chapter or the rules adopted pursuant to this chapter;
- 6.7 (6) not be a licensed peace officer, as defined in section 626.84, subdivision 1, paragraph
6.8 (c);
- 6.9 (7) never have had a license previously issued under this chapter revoked, and never
6.10 have had a cannabis license, a registration, an agreement, or another authorization to operate
6.11 a cannabis business issued under the laws of another state revoked;
- 6.12 (8) have filed any previously required tax returns for a cannabis business;
- 6.13 (9) have paid and remitted any business taxes, gross receipts taxes, interest, or penalties
6.14 due relating to the operation of a cannabis business;
- 6.15 (10) have fully and truthfully complied with all information requests of the office relating
6.16 to license application and renewal;
- 6.17 (11) not be disqualified under section 342.15;
- 6.18 (12) not employ an individual who is disqualified from working for a cannabis business
6.19 under this chapter;
- 6.20 (13) meet the ownership and operational requirements for the type of license and, if
6.21 applicable, endorsement sought or held; and
- 6.22 (14) not have had any confirmed willful labor violation with the Minnesota Department
6.23 of Labor, ~~National Labor Relations Board,~~ and Industry or the Occupational Safety and
6.24 Health Administration within the last five years, as determined by the office.
- 6.25 (b) A health care practitioner who certifies qualifying medical conditions for patients is
6.26 prohibited from:
- 6.27 (1) holding a direct or indirect economic interest in a cannabis business;
- 6.28 (2) serving as a cooperative member, director, manager, general partner, or employee
6.29 of a cannabis business; or
- 6.30 (3) advertising with a cannabis business in any way.

7.1 (c) If the license holder or applicant is a business entity, every officer, director, manager,
7.2 and general partner of the business entity must meet each of the requirements of this section.

7.3 (d) The ownership disqualifications and requirements under this section do not apply to
7.4 a hemp business license holder or applicant.

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

7.6 Sec. 5. Minnesota Statutes 2024, section 342.23, subdivision 5, is amended to read:

7.7 Subd. 5. **Financial relationship.** (a) ~~Except for the lawful sale of cannabis plants,~~
7.8 ~~cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp~~
7.9 ~~edibles, and hemp-derived consumer products in the ordinary course of business and as~~
7.10 ~~otherwise provided in this subdivision,~~ No cannabis business or hemp business may offer,
7.11 give, accept, receive, or borrow money or anything else of value or accept or receive credit
7.12 from any other cannabis business. This prohibition applies to or hemp business, including
7.13 offering or receiving a benefit in exchange for preferential placement by a retailer, including
7.14 and offering or receiving preferential placement on the retailer's shelves, display cases, or
7.15 website. The prohibition in this paragraph applies to every cooperative member or
7.16 every director, manager, and general partner of a cannabis business or hemp business.

7.17 (b) Paragraph (a) does not apply to the lawful sale of cannabis plants, cannabis flower,
7.18 cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, and
7.19 hemp-derived consumer products in the ordinary course of business and as otherwise
7.20 provided in this subdivision.

7.21 ~~This~~ (c) The prohibition in paragraph (a) does not apply to merchandising credit in the
7.22 ordinary course of business for a period not to exceed 30 days.

7.23 ~~(e)~~ (d) The prohibition in paragraph (a) does not apply to free samples of usable
7.24 cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer
7.25 products packaged in a sample jar protected by a plastic or metal mesh screen to allow
7.26 customers to smell the cannabis flower, cannabis product, lower-potency hemp edible, or
7.27 hemp-derived consumer product before purchase. A sample jar may not contain more than
7.28 eight grams of usable cannabis flower, more than eight grams of a cannabis concentrate, an
7.29 edible cannabis product infused with more than 100 milligrams of tetrahydrocannabinol, a
7.30 lower-potency hemp edible infused with more than 50 milligrams of tetrahydrocannabinol,
7.31 or a hemp-derived consumer product with a total weight of more than eight grams.

7.32 ~~(d)~~ (e) The prohibition in paragraph (a) does not apply to free samples of cannabis
7.33 flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products

8.1 provided to a retailer or cannabis wholesaler for the purposes of quality control and to allow
8.2 retailers to determine whether to offer a product for sale. A sample provided for these
8.3 purposes may not contain more than eight grams of usable cannabis flower, more than eight
8.4 grams of a cannabis concentrate, an edible cannabis product infused with more than 100
8.5 milligrams of tetrahydrocannabinol, a lower-potency hemp edible infused with more than
8.6 50 milligrams of tetrahydrocannabinol, or a hemp-derived consumer product with a total
8.7 weight of more than eight grams.

8.8 ~~(e) This~~ (f) The prohibition in paragraph (a) does not apply to any fee charged by a
8.9 licensed cannabis event organizer to a cannabis business or hemp business for participation
8.10 in a cannabis event.

8.11 (g) The prohibition in paragraph (a) does not apply to any transaction entered into in
8.12 good faith by a cannabis business or hemp business for the sale of goods at fair market
8.13 value.

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

8.15 Sec. 6. Minnesota Statutes 2024, section 342.27, subdivision 2, is amended to read:

8.16 Subd. 2. **Sale of cannabis and cannabinoid products.** (a) A cannabis business with a
8.17 license or endorsement authorizing the retail sale of cannabis flower or cannabis products
8.18 may only sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
8.19 cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to
8.20 individuals who are at least 21 years of age.

8.21 (b) A cannabis business with a license or endorsement authorizing the retail sale of
8.22 adult-use cannabis flower or adult-use cannabis products may sell immature cannabis plants
8.23 and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp
8.24 edibles, and hemp-derived consumer products that:

8.25 (1) are obtained from a business licensed under this chapter; and

8.26 (2) meet all applicable packaging and labeling requirements.

8.27 (c) A cannabis business with a license or endorsement authorizing the retail sale of
8.28 cannabis flower or cannabis products may sell up to two ounces of adult-use cannabis flower
8.29 or hemp-derived consumer products consisting primarily of hemp plant parts, up to eight
8.30 grams of adult-use cannabis concentrate or hemp-derived consumer products consisting
8.31 primarily of hemp concentrate or artificially derived cannabinoids, and edible cannabis
8.32 products and lower-potency hemp edibles infused with up to 800 milligrams of
8.33 tetrahydrocannabinol during a single transaction to a customer.

9.1 (d) Edible adult-use cannabis products ~~and hemp-derived consumer products intended~~
 9.2 ~~to be eaten~~ may not include more than ten milligrams of tetrahydrocannabinol per serving
 9.3 and a single package may not include more than a total of 200 milligrams of
 9.4 tetrahydrocannabinol. A package may contain multiple servings of ten milligrams of
 9.5 tetrahydrocannabinol provided that each serving is indicated by scoring, wrapping, or other
 9.6 indicators designating the individual serving size.

9.7 (e) Edible adult-use cannabis products and hemp-derived consumer products intended
 9.8 to be consumed as beverages may not include more than ten milligrams of
 9.9 tetrahydrocannabinol per serving. A single beverage container may not contain more than
 9.10 two servings.

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

9.12 Sec. 7. Minnesota Statutes 2024, section 342.37, subdivision 1, is amended to read:

9.13 Subdivision 1. **Authorized actions.** A cannabis testing facility license entitles the license
 9.14 holder to:

9.15 (1) obtain and test immature cannabis plants and seedlings, cannabis flower, cannabis
 9.16 products, hemp plant parts, hemp concentrate, artificially derived cannabinoids,
 9.17 lower-potency hemp edibles, and hemp-derived consumer products from cannabis
 9.18 microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers,
 9.19 cannabis wholesalers, lower-potency hemp edible manufacturers, medical cannabis
 9.20 combination businesses, and industrial hemp growers; and

9.21 (2) perform other actions approved by the office.

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

9.23 Sec. 8. Minnesota Statutes 2024, section 342.39, subdivision 1, is amended to read:

9.24 Subdivision 1. **Authorized actions.** A cannabis event organizer license entitles the
 9.25 license holder to:

9.26 (1) organize a temporary cannabis event lasting no more than four days; and

9.27 (2) perform other actions approved by the office.

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

10.1 Sec. 9. **REPEALER.**

10.2 (a) Minnesota Statutes 2024, section 151.72, subdivisions 1, 2, 4, 5, 5b, 5c, 6, and 7, are
10.3 repealed.

10.4 (b) Minnesota Statutes 2025 Supplement, section 151.72, subdivisions 3 and 5a, are
10.5 repealed.

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

151.72 SALE OF CERTAIN CANNABINOID PRODUCTS.

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) "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.

(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.

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

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

(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.

(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.

(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 director of 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.

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 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.

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. A product sold for human or animal consumption must not contain more than 0.3 percent of any tetrahydrocannabinol and an edible cannabinoid product must not contain an amount of any tetrahydrocannabinol that exceeds the limits established in subdivision 5a, paragraph (f).

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(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 nonintact skin or a mucous membrane, except for products applied sublingually.

(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 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.

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 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 office. The disclosure must include all information known to the 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 office, the manufacturer of the product must provide the office with the results of the testing required in this section.

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(d) The 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.

Subd. 5. Labeling requirements. (a) A product regulated under this section must bear a label that contains, at a minimum:

- (1) the name, location, contact phone number, and website of the manufacturer of the product;
- (2) the name and address of the independent, accredited laboratory used by the manufacturer to test the product;
- (3) the batch number; and
- (4) an accurate statement of the amount or percentage of cannabinoids found in each unit of the product meant to be consumed.

(b) The information in paragraph (a) may be provided on an outer package if the immediate container that holds the product is too small to contain all of the information.

(c) The information required in paragraph (a) may be provided through the use of a scannable barcode or matrix barcode that links to a page on the manufacturer's website if that page contains all of the information required by this subdivision.

(d) The label must also include a statement stating that the product does not claim to diagnose, treat, cure, or prevent any disease and has not been evaluated or approved by the United States Food and Drug Administration (FDA) unless the product has been so approved.

(e) The information required by this subdivision must be prominently and conspicuously placed on the label or displayed on the website in terms that can be easily read and understood by the consumer.

(f) The labeling must not contain any claim that the product may be used or is effective for the prevention, treatment, or cure of a disease or that it may be used to alter the structure or function of human or animal bodies, unless the claim has been approved by the FDA.

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.

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(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. If it is not possible to indicate a single serving by scoring or use of another indicator that appears on the product, the edible cannabinoid product may not be packaged in a manner that includes more than a single serving in each container, except that a calibrated dropper, measuring spoon, or similar device for measuring a single serving, when sold with the product, may be used for any edible cannabinoid products that are intended to be combined with food or beverage products prior to consumption.

(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 that is not intended to be consumed as a beverage must not contain more than five milligrams of any tetrahydrocannabinol in a single serving and must not contain more than a total of 50 milligrams of any tetrahydrocannabinol per package.

(g) An edible cannabinoid product that is intended to be consumed as a beverage must not contain more than ten milligrams of any tetrahydrocannabinol in a single container.

(h) 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 office authorizes use of the artificially derived cannabinoid in edible cannabinoid products. Edible cannabinoid products are prohibited from containing synthetic cannabinoids.

(i) 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.

Subd. 5b. Registration; prohibitions. (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 office must not charge a fee for registration under this subdivision.

Subd. 5c. Age verification. (a) Prior to initiating a sale or otherwise providing an edible cannabinoid product to an individual, an employee of a retailer must verify that the individual is at least 21 years of age.

(b) Proof of age may be established only by one of the following:

(1) a valid driver's license or identification card issued by Minnesota, another state, or a province of Canada and including the photograph and date of birth of the licensed person;

(2) a valid Tribal identification card as defined in section 171.072, paragraph (b);

(3) a valid passport issued by the United States;

(4) a valid instructional permit issued under section 171.05 to a person of legal age to purchase edible cannabinoid products, which includes a photograph and the date of birth of the person issued the permit; or

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(5) in the case of a foreign national, by a valid passport.

(c) A registered retailer may seize a form of identification listed under paragraph (b) if the registered retailer has reasonable grounds to believe that the form of identification has been altered or falsified or is being used to violate any law. A registered retailer that seizes a form of identification as authorized under this paragraph must deliver it to a law enforcement agency within 24 hours of seizing it.

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 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 office may enforce this section, including enforcement against a manufacturer or distributor of a product regulated under this section, under section 342.19.

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

Subd. 7. Violations; criminal penalties. (a) 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 office.

(b) 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;

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(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.