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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 100

01/05/2023 Authored by Stephenson; Hanson, J.; Hortman; Long; Gomez and others
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; establishing the Office of Cannabis Management; establishing

1.3 advisory councils; requiring reports relating to cannabis use and sales; legalizing

1.4 and limiting the possession and use of cannabis by adults; providing for the

1.5 licensing, inspection, and regulation of cannabis businesses; requiring testing of

1.6 cannabis flower and cannabinoid products; requiring labeling of cannabis flower

1.7 and cannabinoid products; limiting the advertisement of cannabis flower,

1.8 cannabinoid products, and cannabis businesses; providing for the cultivation of

1.9 cannabis in private residences; transferring regulatory authority for the medical

1.10 cannabis program; taxing the sale of adult-use cannabis; establishing grant and

1.11 loan programs; amending criminal penalties; establishing expungement procedures

1.12 for certain individuals; establishing labor standards for the use of cannabis by

1.13 employees and testing of employees; providing for the temporary regulation of

1.14 certain edible cannabinoid products; amending the scheduling of marijuana and

1.15 tetrahydrocannabinols; classifying data; making miscellaneous cannabis-related

1.16 changes and additions; making clarifying and technical changes; appropriating

1.17 money; amending Minnesota Statutes 2022, sections 13.411, by adding a

1.18 subdivision; 13.871, by adding a subdivision; 34A.01, subdivision 4; 144.99,

1.19 subdivision 1; 151.72; 152.02, subdivisions 2, 4; 152.022, subdivisions 1, 2;

1.20 152.023, subdivisions 1, 2; 152.024, subdivision 1; 152.025, subdivisions 1, 2;

1.21 181.938, subdivision 2; 181.950, subdivisions 2, 4, 5, 8, 13, by adding a

1.22 subdivision; 181.951, by adding subdivisions; 181.952, by adding a subdivision;

1.23 181.953; 181.954; 181.955; 181.957, subdivision 1; 244.05, subdivision 2; 245C.08,

1.24 subdivision 1; 256.01, subdivision 18c; 256B.0625, subdivision 13d; 256D.024,

1.25 subdivisions 1, 3; 256J.26, subdivisions 1, 3; 273.13, subdivision 24; 275.025,

1.26 subdivision 2; 290.0132, subdivision 29; 290.0134, subdivision 19; 297A.61,

1.27 subdivision 3; 297A.67, subdivisions 2, 7; 297A.70, subdivisions 2, 18; 297A.99,

1.28 by adding a subdivision; 297D.01; 297D.04; 297D.06; 297D.07; 297D.08;

1.29 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 340A.412, subdivision

1.30 14; 609.135, subdivision 1; 609.5311, subdivision 1; 609.5314, subdivision 1;

1.31 609.5316, subdivision 2; 609A.01; 609A.03, subdivisions 5, 9; 609B.425,

1.32 subdivision 2; 609B.435, subdivision 2; 624.712, by adding subdivisions; 624.713,

1.33 subdivision 1; 624.714, subdivision 6; 624.7142, subdivision 1; 624.7151;

1.34 proposing coding for new law in Minnesota Statutes, chapters 3; 116J; 116L; 120B;

1.35 144; 152; 289A; 295; 340A; 609A; 624; proposing coding for new law as Minnesota

1.36 Statutes, chapter 342; repealing Minnesota Statutes 2022, sections 151.72; 152.027,

1.37 subdivisions 3, 4; 152.21; 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8, 9, 10,

1.38 11, 12, 13, 14; 152.23; 152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, 4; 152.26;

2.1 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, 7; 152.28, subdivisions 1, 2, 3;
 2.2 152.29, subdivisions 1, 2, 3, 3a, 4; 152.30; 152.31; 152.32, subdivisions 1, 2, 3;
 2.3 152.33, subdivisions 1, 1a, 2, 3, 4, 5, 6; 152.34; 152.35; 152.36, subdivisions 1,
 2.4 1a, 2, 3, 4, 5; 152.37; Minnesota Rules, parts 4770.0100; 4770.0200; 4770.0300;
 2.5 4770.0400; 4770.0500; 4770.0600; 4770.0800; 4770.0900; 4770.1000; 4770.1100;
 2.6 4770.1200; 4770.1300; 4770.1400; 4770.1460; 4770.1500; 4770.1600; 4770.1700;
 2.7 4770.1800; 4770.1900; 4770.2000; 4770.2100; 4770.2200; 4770.2300; 4770.2400;
 2.8 4770.2700; 4770.2800; 4770.4000; 4770.4002; 4770.4003; 4770.4004; 4770.4005;
 2.9 4770.4007; 4770.4008; 4770.4009; 4770.4010; 4770.4012; 4770.4013; 4770.4014;
 2.10 4770.4015; 4770.4016; 4770.4017; 4770.4018; 4770.4030.

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

2.12 ARTICLE 1

2.13 REGULATION OF ADULT-USE CANNABIS

2.14 Section 1. 342.01 DEFINITIONS.

2.15 Subdivision 1. Terms. For the purposes of this chapter, the following terms have the
 2.16 meanings given them.

2.17 Subd. 2. Adult-use cannabinoid product. "Adult-use cannabinoid product" means a
 2.18 cannabinoid product that is approved for sale by the office or is substantially similar to a
 2.19 product approved by the office. Adult-use cannabinoid product includes edible cannabinoid
 2.20 products but does not include medical cannabinoid products.

2.21 Subd. 3. Adult-use cannabis concentrate. "Adult-use cannabis concentrate" means
 2.22 cannabis concentrate that is approved for sale by the office or is substantially similar to a
 2.23 product approved by the office. Adult-use cannabis concentrate does not include artificially
 2.24 derived cannabinoids.

2.25 Subd. 4. Adult-use cannabis flower. "Adult-use cannabis flower" means cannabis
 2.26 flower that is approved for sale by the office or is substantially similar to a product approved
 2.27 by the office. Adult-use cannabis flower does not include medical cannabis flower, hemp
 2.28 plant parts, or hemp-derived consumer products.

2.29 Subd. 5. Advertisement. "Advertisement" means any written or oral statement,
 2.30 illustration, or depiction that is intended to promote sales of cannabis flower, cannabinoid
 2.31 products, lower potency edible products, hemp-derived consumer products, or sales at a
 2.32 specific cannabis business and includes any newspaper, radio, internet and electronic media,
 2.33 or television promotion; the distribution of fliers and circulars; and the display of window
 2.34 and interior signs in a cannabis business. Advertisement does not include a fixed outdoor
 2.35 sign that meets the requirements in section 342.66, subdivision 2, paragraph (b).

3.1 Subd. 6. **Artificially derived cannabinoid.** "Artificially derived cannabinoid" means a
3.2 cannabinoid extracted from a cannabis plant, cannabis flower, hemp plant, or hemp plant
3.3 parts with a chemical makeup that is changed after extraction to create a different cannabinoid
3.4 or other chemical compound by applying a catalyst other than heat or light. Artificially
3.5 derived cannabinoid includes but is not limited to any tetrahydrocannabinol created from
3.6 cannabidiol but does not include cannabis concentrate, cannabinoid products, or hemp-derived
3.7 consumer products.

3.8 Subd. 7. **Batch.** "Batch" means:

3.9 (1) a specific quantity of cannabis plants that are cultivated from the same seed or plant
3.10 stock, are cultivated together, are intended to be harvested together, and receive an identical
3.11 propagation and cultivation treatment; or

3.12 (2) a specific quantity of a specific cannabinoid product, lower potency edible product,
3.13 artificially derived cannabinoid, or hemp-derived consumer product that is manufactured
3.14 at the same time and using the same methods, equipment, and ingredients that is uniform
3.15 and intended to meet specifications for identity, strength, purity, and composition, and that
3.16 is manufactured, packaged, and labeled according to a single batch production record
3.17 executed and documented during the same cycle of manufacture and produced by a
3.18 continuous process.

3.19 Subd. 8. **Batch number.** "Batch number" means a unique numeric or alphanumeric
3.20 identifier assigned to a batch of cannabis flower or a batch of cannabinoid product, lower
3.21 potency edible product, artificially derived cannabinoid, or hemp-derived consumer product.

3.22 Subd. 9. **Bona fide labor organization.** "Bona fide labor organization" means a labor
3.23 union that represents or is actively seeking to represent cannabis workers.

3.24 Subd. 10. **Cannabinoid.** "Cannabinoid" means any of the chemical constituents of hemp
3.25 plants or cannabis plants that are naturally occurring, biologically active, and act on the
3.26 cannabinoid receptors of the brain. Cannabinoid includes but is not limited to
3.27 tetrahydrocannabinol and cannabidiol.

3.28 Subd. 11. **Cannabinoid extraction.** "Cannabinoid extraction" means the process of
3.29 extracting cannabis concentrate from cannabis plants or cannabis flower using water, lipids,
3.30 gases, solvents, or other chemicals or chemical processes, but does not include the process
3.31 of extracting concentrate from hemp plants or hemp plant parts or the process of creating
3.32 artificially derived cannabinoids.

3.33 Subd. 12. **Cannabinoid product.** (a) "Cannabinoid product" means any of the following:

- 4.1 (1) cannabis concentrate;
- 4.2 (2) a product infused with cannabinoids, including but not limited to tetrahydrocannabinol,
- 4.3 extracted or derived from cannabis plants or cannabis flower;
- 4.4 (3) any other product that contains cannabis concentrate; or
- 4.5 (4) a product infused with artificially derived cannabinoids.

4.6 (b) Cannabinoid product includes adult-use cannabinoid products, including but not

4.7 limited to edible cannabinoid products, and medical cannabinoid products. Cannabinoid

4.8 product does not include cannabis flower, artificially derived cannabinoids, or hemp-derived

4.9 consumer products.

4.10 Subd. 13. **Cannabinoid profile.** "Cannabinoid profile" means the amounts of each

4.11 cannabinoid that the office requires to be identified in testing and labeling, including but

4.12 not limited to delta-9 tetrahydrocannabinol, tetrahydrocannabinolic acid, cannabidiol, and

4.13 cannabidiolic acid in cannabis flower, a cannabinoid product, a batch of artificially derived

4.14 cannabinoid, or a hemp-derived consumer product, expressed as percentages measured by

4.15 weight and, in the case of cannabinoid products and hemp-derived consumer products,

4.16 expressed as milligrams in each serving and package.

4.17 Subd. 14. **Cannabis business.** "Cannabis business" means any of the following licensed

4.18 under this chapter:

- 4.19 (1) cannabis cultivator;
- 4.20 (2) cannabis manufacturer;
- 4.21 (3) cannabis retailer;
- 4.22 (4) cannabis wholesaler;
- 4.23 (5) cannabis transporter;
- 4.24 (6) cannabis testing facility;
- 4.25 (7) cannabis microbusiness;
- 4.26 (8) cannabis event organizer;
- 4.27 (9) cannabis delivery service;
- 4.28 (10) lower potency edible retailer;
- 4.29 (11) medical cannabis cultivator;
- 4.30 (12) medical cannabis processor; and

5.1 (13) medical cannabis retailer.

5.2 Subd. 15. **Cannabis concentrate.** (a) "Cannabis concentrate" means:

5.3 (1) the extracts and resins of a cannabis plant or cannabis flower;

5.4 (2) the extracts or resins of a cannabis plant or cannabis flower that are refined to increase
5.5 the presence of targeted cannabinoids; or

5.6 (3) a product that is produced by refining extracts or resins of a cannabis plant or cannabis
5.7 flower and is intended to be consumed by combustion or vaporization of the product and
5.8 inhalation of smoke, aerosol, or vapor from the product.

5.9 (b) Cannabis concentrate does not include industrial hemp, artificially derived
5.10 cannabinoids, or hemp-derived consumer products.

5.11 Subd. 16. **Cannabis flower.** "Cannabis flower" means the harvested flower, bud, leaves,
5.12 and stems of a cannabis plant. Cannabis flower includes adult-use cannabis flower and
5.13 medical cannabis flower. Cannabis flower does not include cannabis seed, industrial hemp,
5.14 or hemp-derived consumer products.

5.15 Subd. 17. **Cannabis industry.** "Cannabis industry" means every item, product, person,
5.16 process, action, business, or other thing subject to regulation under this chapter.

5.17 Subd. 18. **Cannabis paraphernalia.** "Cannabis paraphernalia" means all equipment,
5.18 products, and materials of any kind that are knowingly or intentionally used primarily in:

5.19 (1) cultivating or harvesting cannabis plants or cannabis flower;

5.20 (2) manufacturing cannabinoid products;

5.21 (3) ingesting, inhaling, or otherwise introducing cannabis flower or cannabinoid products
5.22 into the human body; and

5.23 (4) testing the strength, effectiveness, or purity of cannabis flower, cannabinoid products,
5.24 or hemp-derived consumer products.

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

5.28 Subd. 20. **Cannabis prohibition.** "Cannabis prohibition" means the system of state and
5.29 federal laws that prevented establishment of a legal market and instead established petty
5.30 offenses and criminal offenses punishable by fines, imprisonment, or both for the cultivation,
5.31 possession, and sale of all parts of the plant of any species of the genus Cannabis, including

6.1 all agronomical varieties, whether growing or not; the seeds thereof; the resin extracted
6.2 from any part of such plant; and every compound, manufacture, salt, derivative, mixture,
6.3 or preparation of such plant, its seeds, or resin.

6.4 Subd. 21. **Cannabis seed.** "Cannabis seed" means the viable seed of the plant of the
6.5 genus Cannabis that is reasonably expected to grow into a cannabis plant. Cannabis seed
6.6 does not include hemp seed.

6.7 Subd. 22. **Cannabis worker.** "Cannabis worker" means any individual employed by a
6.8 cannabis business and any individual who is a contractor of a cannabis business whose
6.9 scope of work involves the handling of cannabis plants, cannabis flower, artificially derived
6.10 cannabinoids, or cannabinoid products.

6.11 Subd. 23. **Child-resistant.** "Child-resistant" means packaging that meets the poison
6.12 prevention packaging standards in Code of Federal Regulations, title 16, section 1700.15.

6.13 Subd. 24. **Cooperative.** "Cooperative" means an association conducting business on a
6.14 cooperative plan that is organized or is subject to chapter 308A or 308B.

6.15 Subd. 25. **Council.** "Council" means the Cannabis Advisory Council.

6.16 Subd. 26. **Cultivation.** "Cultivation" means any activity involving the planting, growing,
6.17 harvesting, drying, curing, grading, or trimming of cannabis plants, cannabis flower, hemp
6.18 plants, or hemp plant parts.

6.19 Subd. 27. **Division of Medical Cannabis.** "Division of Medical Cannabis" means a
6.20 division housed in the Office of Cannabis Management that operates the medical cannabis
6.21 program.

6.22 Subd. 28. **Division of Social Equity** "Division of Social Equity" means a division housed
6.23 in the Office of Cannabis Management that promotes development, stability, and safety in
6.24 communities that have experienced a disproportionate, negative impact from cannabis
6.25 prohibition.

6.26 Subd. 29. **Edible cannabinoid product.** "Edible cannabinoid product" means any
6.27 product that is intended to be eaten or consumed as a beverage by humans; contains a
6.28 cannabinoid, including an artificially derived cannabinoid, in combination with food
6.29 ingredients; is not a drug; and is a type of product approved for sale by the office, or is
6.30 substantially similar to a product approved by the office including but not limited to products
6.31 that resemble nonalcoholic beverages, candy, and baked goods. Edible cannabinoid product
6.32 includes lower potency edible products.

7.1 Subd. 30. **Health care practitioner.** "Health care practitioner" means a
7.2 Minnesota-licensed doctor of medicine, a Minnesota-licensed physician assistant acting
7.3 within the scope of authorized practice, or a Minnesota-licensed advanced practice registered
7.4 nurse who has the primary responsibility for the care and treatment of the qualifying medical
7.5 condition of an individual diagnosed with a qualifying medical condition.

7.6 Subd. 31. **Health record.** "Health record" has the meaning given in section 144.291,
7.7 subdivision 2.

7.8 Subd. 32. **Hemp concentrate.** (a) "Hemp concentrate" means:

7.9 (1) the extracts and resins of a hemp plant or hemp plant parts;

7.10 (2) the extracts or resins of a hemp plant or hemp plant parts that are refined to increase
7.11 the presence of targeted cannabinoids; or

7.12 (3) a product that is produced by refining extracts or resins of a hemp plant or hemp
7.13 plant parts and is intended to be consumed by combustion or vaporization of the product
7.14 and inhalation of smoke, aerosol, or vapor from the product.

7.15 (b) Hemp concentrate does not include artificially derived cannabinoids or hemp-derived
7.16 consumer products.

7.17 Subd. 33. **Hemp-derived consumer product.** (a) "Hemp-derived consumer product"
7.18 means a product intended for human or animal consumption that:

7.19 (1) consists of hemp plant parts;

7.20 (2) is hemp concentrate; or

7.21 (3) contains hemp concentrate.

7.22 (b) Hemp-derived consumer product includes hemp-derived topical products, but does
7.23 not include edible cannabinoid products, artificially derived cannabinoids, hemp fiber
7.24 products, or hemp grain.

7.25 Subd. 34. **Hemp-derived topical product.** "Hemp-derived topical product" means a
7.26 product intended for human or animal consumption that contains hemp concentrate and is
7.27 intended for application externally to a part of the body of a human or animal.

7.28 Subd. 35. **Hemp fiber product.** "Hemp fiber product" means an intermediate or finished
7.29 product made from the fiber of hemp plant parts that is not intended for human or animal
7.30 consumption. Hemp fiber product includes but is not limited to cordage, paper, fuel, textiles,
7.31 bedding, insulation, construction materials, compost materials, and industrial materials.

8.1 Subd. 36. **Hemp grain.** "Hemp grain" means the harvested seeds of the hemp plant
8.2 intended for consumption as a food or part of a food product. Hemp grain includes oils
8.3 pressed or extracted from harvested hemp seeds.

8.4 Subd. 37. **Hemp plant.** "Hemp plant" means all parts of the plant of the genus Cannabis
8.5 that is growing or has not been harvested and has a delta-9 tetrahydrocannabinol
8.6 concentration of no more than 0.3 percent on a dry weight basis.

8.7 Subd. 38. **Hemp plant parts.** "Hemp plant parts" means any part of the harvested hemp
8.8 plant, including the flower, bud, leaves, stems, and stalk, but does not include derivatives,
8.9 extracts, cannabinoids, isomers, acids, salts, and salts of isomers that are separated from
8.10 the plant. Hemp plant parts does not include hemp fiber products, hemp grain, or hemp
8.11 seed.

8.12 Subd. 39. **Hemp seed.** "Hemp seed" means the viable seed of the plant of the genus
8.13 Cannabis that is intended to be planted and is reasonably expected to grow into a hemp
8.14 plant. Hemp seed does not include cannabis seed or hemp grain.

8.15 Subd. 40. **Industrial hemp.** "Industrial hemp" has the meaning given in section 18K.02,
8.16 subdivision 3.

8.17 Subd. 41. **Intoxicating cannabinoid.** "Intoxicating cannabinoid" means a cannabinoid,
8.18 including an artificially derived cannabinoid, that when introduced into the human body
8.19 impairs the central nervous system or impairs the human audio, visual, or mental processes.
8.20 Intoxicating cannabinoid includes but is not limited to any tetrahydrocannabinol.

8.21 Subd. 42. **Labor peace agreement.** "Labor peace agreement" means an agreement
8.22 between a cannabis business and a bona fide labor organization that protects the state's
8.23 interests by, at minimum, prohibiting the labor organization from engaging in picketing,
8.24 work stoppages, or boycotts against the cannabis business. This type of agreement shall not
8.25 mandate a particular method of election or certification of the bona fide labor organization.

8.26 Subd. 43. **License holder.** "License holder" means a person, cooperative, or business
8.27 that holds any of the following licenses:

8.28 (1) cannabis cultivator;

8.29 (2) cannabis manufacturer;

8.30 (3) cannabis retailer;

8.31 (4) cannabis wholesaler;

8.32 (5) cannabis transporter;

9.1 (6) cannabis testing facility;

9.2 (7) cannabis microbusiness;

9.3 (8) cannabis event organizer;

9.4 (9) cannabis delivery service;

9.5 (10) lower potency edible retailer;

9.6 (11) medical cannabis cultivator;

9.7 (12) medical cannabis processor; or

9.8 (13) medical cannabis retailer.

9.9 Subd. 44. **Local unit of government.** "Local unit of government" means a home rule
 9.10 charter or statutory city, county, town, or other political subdivision.

9.11 Subd. 45. **Lower potency edible product.** "Lower potency edible product" means any
 9.12 product that:

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

9.14 (2) contains a cannabinoid, including an artificially derived cannabinoid, in combination
 9.15 with food ingredients;

9.16 (3) is not a drug;

9.17 (4) is packaged in servings that contain no more than five milligrams of delta-9
 9.18 tetrahydrocannabinol per serving, 25 milligrams of cannabidiol per serving, or both;

9.19 (5) does not contain more than a combined total of 0.5 milligrams of all other
 9.20 cannabinoids;

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

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

9.26 Subd. 46. **Matrix barcode.** "Matrix barcode" means a code that stores data in a
 9.27 two-dimensional array of geometrically shaped dark and light cells capable of being read
 9.28 by the camera on a smartphone or other mobile device.

9.29 Subd. 47. **Medical cannabinoid product.** (a) "Medical cannabinoid product" means a
 9.30 cannabinoid product provided to a patient enrolled in the registry program; a registered

10.1 designated caregiver; or a parent, legal guardian, or spouse of an enrolled patient, by a
 10.2 cannabis retailer or medical cannabis retailer to treat or alleviate the symptoms of a qualifying
 10.3 medical condition. A medical cannabinoid product must be in the form of:

10.4 (1) liquid, including but not limited to oil;

10.5 (2) pill;

10.6 (3) liquid or oil for use with a vaporized delivery method;

10.7 (4) water-soluble cannabinoid multiparticulate, including granules, powder, and sprinkles;

10.8 (5) orally dissolvable product, including lozenges, gum, mints, buccal tablets, and
 10.9 sublingual tablets;

10.10 (6) topical formulation; or

10.11 (7) any allowable form or delivery method approved by the office.

10.12 (b) Medical cannabinoid product does not include adult-use cannabinoid products.

10.13 Subd. 48. **Medical cannabis business.** "Medical cannabis business" means an entity
 10.14 licensed under this chapter to engage in one or more of the following:

10.15 (1) the cultivation of cannabis plants for medical cannabis flower;

10.16 (2) the manufacture of medical cannabinoid products; and

10.17 (3) the retail sale of medical cannabis flower and medical cannabinoid products.

10.18 Subd. 49. **Medical cannabis flower.** "Medical cannabis flower" means cannabis flower
 10.19 provided to a patient enrolled in the registry program; a registered designated caregiver; or
 10.20 a parent, legal guardian, or spouse of an enrolled patient by a cannabis retailer or medical
 10.21 cannabis business to treat or alleviate the symptoms of a qualifying medical condition.

10.22 Medical cannabis flower does not include adult-use cannabis flower or hemp-derived
 10.23 consumer products.

10.24 Subd. 50. **Medical cannabis paraphernalia.** "Medical cannabis paraphernalia" means
 10.25 a delivery device, related supply, or educational material used by a patient enrolled in the
 10.26 registry program to administer medical cannabis and medical cannabinoid products.

10.27 Subd. 51. **Nonintoxicating cannabinoid.** "Nonintoxicating cannabinoid" means a
 10.28 cannabinoid that when introduced into the human body does not impair the central nervous
 10.29 system and does not impair the human audio, visual, or mental processes. Nonintoxicating
 10.30 cannabinoid includes but is not limited to cannabidiol but does not include any artificially
 10.31 derived cannabinoid.

11.1 Subd. 52. **Office.** "Office" means the Office of Cannabis Management.

11.2 Subd. 53. **Outdoor advertisement.** "Outdoor advertisement" means an advertisement
11.3 that is located outdoors or can be seen or heard by an individual who is outdoors and includes
11.4 billboards; advertisements on benches; advertisements at transit stations or transit shelters;
11.5 advertisements on the exterior or interior of buses, taxis, light rail transit, or business vehicles;
11.6 and print signs that do not meet the requirements in section 342.66, subdivision 2, paragraph
11.7 (b), but that are placed or located on the exterior property of a cannabis business.

11.8 Subd. 54. **Patient.** "Patient" means a Minnesota resident who has been diagnosed with
11.9 a qualifying medical condition by a health care practitioner and who has met all other
11.10 requirements for patients under this chapter to participate in the registry program.

11.11 Subd. 55. **Patient registry number.** "Patient registry number" means a unique
11.12 identification number assigned by the Division of Medical Cannabis to a patient enrolled
11.13 in the registry program.

11.14 Subd. 56. **Qualifying medical condition.** "Qualifying medical condition" means a
11.15 diagnosis of any of the following conditions:

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

11.17 (i) severe or chronic pain;

11.18 (ii) nausea or severe vomiting; or

11.19 (iii) cachexia or severe wasting;

11.20 (2) glaucoma;

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

11.22 (4) Tourette's syndrome;

11.23 (5) amyotrophic lateral sclerosis;

11.24 (6) seizures, including those characteristic of epilepsy;

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

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

11.28 (9) irritable bowel syndrome;

11.29 (10) obsessive-compulsive disorder;

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

12.3 (i) severe or chronic pain;

12.4 (ii) nausea or severe vomiting; or

12.5 (iii) cachexia or severe wasting; or

12.6 (12) any other medical condition or its treatment approved by the commissioner.

12.7 Subd. 57. **Registered designated caregiver.** "Registered designated caregiver" means
 12.8 an individual who:

12.9 (1) is at least 18 years old;

12.10 (2) is not disqualified for a criminal offense according to section 342.20, subdivision 2;

12.11 (3) has been approved by the Division of Medical Cannabis to assist a patient with
 12.12 obtaining medical cannabis flower and medical cannabinoid products from a cannabis
 12.13 retailer or medical cannabis retailer and with administering medical cannabis flower and
 12.14 medical cannabinoid products; and

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

12.17 Subd. 58. **Registry or registry program.** "Registry" or "registry program" means the
 12.18 patient registry established under this chapter listing patients authorized to obtain medical
 12.19 cannabis flower, medical cannabinoid products, and medical cannabis paraphernalia from
 12.20 cannabis retailers and medical cannabis retailers and administer medical cannabis flower
 12.21 and medical cannabinoid products.

12.22 Subd. 59. **Registry verification.** "Registry verification" means the verification provided
 12.23 by the Division of Medical Cannabis that a patient is enrolled in the registry program and
 12.24 that includes the patient's name, patient registry number, and, if applicable, the name of the
 12.25 patient's registered designated caregiver or parent, legal guardian, or spouse.

12.26 Subd. 60. **Restricted area.** "Restricted area" means an area where cannabis flower or
 12.27 cannabinoid products are cultivated, manufactured, or stored by a cannabis business.

12.28 Subd. 61. **Statewide monitoring system.** "Statewide monitoring system" means the
 12.29 system for integrated cannabis tracking, inventory, and verification established or adopted
 12.30 by the office.

13.1 Subd. 62. **Synthetic cannabinoid.** "Synthetic cannabinoid" means a substance with a
 13.2 similar chemical structure and pharmacological activity to a cannabinoid but is not extracted
 13.3 or derived from cannabis plants, cannabis flower, hemp plants, or hemp plant parts and is
 13.4 instead created or produced by chemical or biochemical synthesis.

13.5 Subd. 63. **Veteran.** "Veteran" means an individual who satisfies the requirements in
 13.6 section 197.447.

13.7 Subd. 64. **Visiting designated caregiver.** "Visiting designated caregiver" means an
 13.8 individual who is authorized under a visiting patient's jurisdiction of residence to assist the
 13.9 visiting patient with the use of medical cannabis flower and medical cannabinoid products.
 13.10 To be considered a visiting designated caregiver, the individual must possess a valid
 13.11 verification card or its equivalent that is issued by the visiting patient's jurisdiction of
 13.12 residence and that verifies that the individual is authorized to assist the visiting patient with
 13.13 the administration of medical cannabis flower and medical cannabinoid products under the
 13.14 laws or regulations of the visiting patient's jurisdiction of residence.

13.15 Subd. 65. **Visiting patient.** "Visiting patient" means an individual who is not a Minnesota
 13.16 resident and who possesses a valid registration verification card or its equivalent that is
 13.17 issued under the laws or regulations of another state, district, commonwealth, or territory
 13.18 of the United States verifying that the individual is enrolled in or authorized to participate
 13.19 in that jurisdiction's medical cannabis or medical marijuana program.

13.20 Subd. 66. **Volatile solvent.** "Volatile solvent" means any solvent that is or produces a
 13.21 flammable gas or vapor that, when present in the air in sufficient quantities, will create
 13.22 explosive or ignitable mixtures. Volatile solvent includes but is not limited to butane, hexane,
 13.23 and propane.

13.24 **Sec. 2. [342.02] OFFICE OF CANNABIS MANAGEMENT.**

13.25 Subdivision 1. **Establishment.** The Office of Cannabis Management is created with the
 13.26 powers and duties established by law. In making rules, establishing policy, and exercising
 13.27 its regulatory authority over the cannabis industry, the office must:

13.28 (1) promote the public health and welfare;

13.29 (2) protect public safety;

13.30 (3) eliminate the illicit market for cannabis flower and cannabinoid products;

13.31 (4) meet the market demand for cannabis flower and cannabinoid products;

13.32 (5) promote a craft industry for cannabis flower and cannabinoid products; and

- 14.1 (6) prioritize growth and recovery in communities that have experienced a
14.2 disproportionate, negative impact from cannabis prohibition.
- 14.3 Subd. 2. Powers and duties. The office has the following powers and duties:
- 14.4 (1) to develop, maintain, and enforce an organized system of regulation for the cannabis
14.5 industry;
- 14.6 (2) to establish programming, services, and notification to protect, maintain, and improve
14.7 the health of citizens;
- 14.8 (3) to prevent unauthorized access to cannabis flower, cannabinoid products, and
14.9 hemp-derived consumer products by individuals under 21 years of age;
- 14.10 (4) to establish and regularly update standards for product testing, packaging, and
14.11 labeling;
- 14.12 (5) to promote economic growth with an emphasis on growth in areas that experienced
14.13 a disproportionate, negative impact from cannabis prohibition;
- 14.14 (6) to issue and renew licenses;
- 14.15 (7) to require fingerprints from individuals determined to be subject to fingerprinting,
14.16 including the submission of fingerprints to the Federal Bureau of Investigation where
14.17 required by law and to obtain criminal conviction data for individuals seeking a license
14.18 from the office on the individual's behalf or as a cooperative member or director, manager,
14.19 or general partner of a business entity;
- 14.20 (8) to receive reports required by this chapter and inspect the premises, records, books,
14.21 and other documents of license holders to ensure compliance with all applicable laws and
14.22 rules;
- 14.23 (9) to authorize the use of unmarked motor vehicles to conduct seizures or investigations
14.24 pursuant to the office's authority;
- 14.25 (10) to impose and collect civil and administrative penalties as provided in this chapter;
- 14.26 (11) to publish such information as may be deemed necessary for the welfare of cannabis
14.27 businesses, cannabis workers, and the health and safety of citizens;
- 14.28 (12) to make loans and grants in aid to the extent that appropriations are made available
14.29 for that purpose;
- 14.30 (13) to authorize research and studies on cannabis flower, cannabinoid products, and
14.31 the cannabis industry;

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

15.2 (15) to establish limits on the potency of cannabis flower and cannabinoid products that
15.3 can be sold to customers by licensed cannabis retailers and licensed cannabis microbusinesses
15.4 with an endorsement to sell cannabis flower and cannabinoid products to customers; and

15.5 (16) to exercise other powers and authority and perform other duties required by law.

15.6 Subd. 3. **Medical cannabis program.** The powers and duties of the Department of
15.7 Health with respect to the medical cannabis program under Minnesota Statutes 2022, sections
15.8 152.22 to 152.37, are transferred to the Office of Cannabis Management under section
15.9 15.039.

15.10 Subd. 4. **Interagency agreements.** (a) The office and the commissioner of agriculture
15.11 shall enter into interagency agreements to ensure that edible cannabinoid products are
15.12 handled, manufactured, and inspected in a manner that is consistent with the relevant food
15.13 safety requirements in chapters 28A, 31, and 34A and associated rules.

15.14 (b) The office may cooperate and enter into other agreements with the commissioner of
15.15 agriculture and may cooperate and enter into agreements with the commissioners and
15.16 directors of other state agencies and departments to promote the beneficial interests of the
15.17 state.

15.18 Subd. 5. **Rulemaking.** The office may adopt rules to implement any provisions in this
15.19 chapter. Rules for which notice is published in the State Register before July 1, 2025, may
15.20 be adopted using the expedited rulemaking process in section 14.389.

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

15.24 (b) The salary of the director must not exceed the salary limit established under section
15.25 15A.0815, subdivision 3.

15.26 (c) While serving as the director and within two years after terminating service, the
15.27 director is prohibited from having a direct or an indirect financial interest in a cannabis
15.28 business licensed under this chapter.

15.29 Subd. 7. **Employees.** (a) The office may employ other personnel in the classified service
15.30 necessary to carry out the duties in this chapter.

15.31 (b) A prospective employee of the office must submit a completed criminal history
15.32 records check consent form, a full set of classifiable fingerprints, and the required fees to

16.1 the office. Upon receipt of this information, the office must submit the completed criminal
 16.2 history records check consent form, full set of classifiable fingerprints, and required fees
 16.3 to the Bureau of Criminal Apprehension. After receiving this information, the bureau must
 16.4 conduct a Minnesota criminal history records check of the license applicant. The bureau
 16.5 may exchange a license applicant's fingerprints with the Federal Bureau of Investigation to
 16.6 obtain the applicant's national criminal history record information. The bureau must return
 16.7 the results of the Minnesota and federal criminal history records checks to the director to
 16.8 determine if the applicant is disqualified under section 342.20.

16.9 (c) While employed by the office and within two years after terminating employment,
 16.10 an employee may not have a direct or an indirect financial interest in a cannabis business
 16.11 licensed under this chapter.

16.12 Subd. 8. **Division of Social Equity.** The office must establish a Division of Social Equity.
 16.13 At a minimum, the division must:

16.14 (1) administer grants to communities that experienced a disproportionate, negative impact
 16.15 from cannabis prohibition in order to promote economic development, provide services to
 16.16 prevent violence, support early intervention programs for youth and families, and promote
 16.17 community stability and safety;

16.18 (2) act as an ombudsperson for the office to provide information, investigate complaints
 16.19 under this chapter, and provide or facilitate dispute resolutions; and

16.20 (3) report to the office on the status of complaints and social equity in the cannabis
 16.21 industry.

16.22 **EFFECTIVE DATE.** This section is effective July 1, 2023, except for subdivision 3,
 16.23 which is effective January 1, 2024.

16.24 Sec. 3. **[342.03] CANNABIS ADVISORY COUNCIL.**

16.25 Subdivision 1. **Membership.** (a) The Cannabis Advisory Council is created consisting
 16.26 of the following members:

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

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

16.29 (3) the commissioner of revenue or a designee;

16.30 (4) the commissioner of health or a designee;

16.31 (5) the commissioner of public safety or a designee;

- 17.1 (6) the commissioner of human rights or a designee;
- 17.2 (7) the commissioner of labor or a designee;
- 17.3 (8) the commissioner of agriculture or a designee;
- 17.4 (9) the commissioner of the Pollution Control Agency or a designee;
- 17.5 (10) the superintendent of the Bureau of Criminal Apprehension or a designee;
- 17.6 (11) a representative from the League of Minnesota Cities appointed by the league;
- 17.7 (12) a representative from the Association of Minnesota Counties appointed by the
17.8 association;
- 17.9 (13) an expert in minority business development appointed by the governor;
- 17.10 (14) an expert in economic development strategies for under-resourced communities
17.11 appointed by the governor;
- 17.12 (15) an expert in farming or representing the interests of farmers appointed by the
17.13 governor;
- 17.14 (16) an expert representing the interests of cannabis workers appointed by the governor;
- 17.15 (17) an expert representing the interests of employers appointed by the governor;
- 17.16 (18) an expert in municipal law enforcement with advanced training in impairment
17.17 detection and evaluation appointed by the governor;
- 17.18 (19) an expert in social welfare or social justice appointed by the governor;
- 17.19 (20) an expert in criminal justice reform to mitigate the disproportionate impact of drug
17.20 prosecutions on communities of color appointed by the governor;
- 17.21 (21) an expert in the prevention and treatment of substance use disorders appointed by
17.22 the governor;
- 17.23 (22) an expert in minority business ownership appointed by the governor;
- 17.24 (23) an expert in women-owned businesses appointed by the governor;
- 17.25 (24) an expert in cannabis retailing appointed by the governor;
- 17.26 (25) an expert in cannabis product manufacturing appointed by the governor;
- 17.27 (26) an expert in laboratory sciences and toxicology appointed by the governor;
- 17.28 (27) an expert in providing legal services to cannabis businesses appointed by the
17.29 governor;

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

18.2 (29) two patient advocates, one who is a patient enrolled in the medical cannabis program
18.3 and one with experience in the mental health system or substance use disorder treatment
18.4 system appointed by the governor; and

18.5 (30) a veteran appointed by the governor.

18.6 (b) While serving on the Cannabis Advisory Council and within two years after
18.7 terminating service, a council member shall not serve as a lobbyist, as defined under section
18.8 10A.01, subdivision 21.

18.9 Subd. 2. **Terms; compensation; removal; vacancy; expiration.** The membership terms,
18.10 compensation, removal of members appointed by the governor, and filling of vacancies of
18.11 members are provided in section 15.059.

18.12 Subd. 3. **Officers; meetings.** (a) The director of the Office of Cannabis Management
18.13 or the director's designee must chair the Cannabis Advisory Council. The advisory council
18.14 must elect a vice-chair and may elect other officers as necessary.

18.15 (b) The advisory council shall meet quarterly or upon the call of the chair.

18.16 (c) Meetings of the advisory council are subject to chapter 13D.

18.17 Subd. 4. **Duties.** (a) The duties of the advisory council shall include:

18.18 (1) reviewing national cannabis policy;

18.19 (2) examining the effectiveness of state cannabis policy;

18.20 (3) reviewing developments in the cannabis industry;

18.21 (4) reviewing developments in the study of cannabis flower and cannabinoid products;

18.22 (5) taking public testimony; and

18.23 (6) making recommendations to the Office of Cannabis Management.

18.24 (b) At its discretion, the advisory council may examine other related issues consistent
18.25 with this section.

18.26 Sec. 4. **[342.04] STUDIES; REPORTS.**

18.27 (a) The office shall conduct a study to determine the expected size and growth of the
18.28 regulated cannabis industry, including an estimate of the demand for cannabis flower and
18.29 cannabinoid products, the number and geographic distribution of cannabis businesses needed
18.30 to meet that demand, and the anticipated business from residents of other states.

19.1 (b) The office shall conduct a study to determine the size of the illicit cannabis market,
19.2 the sources of illicit cannabis flower and illicit cannabinoid products in the state, the locations
19.3 of citations issued and arrests made for cannabis offenses, and the subareas, such as census
19.4 tracts or neighborhoods, that experience a disproportionately large amount of cannabis
19.5 enforcement.

19.6 (c) The office shall conduct a study on impaired driving to determine the number of
19.7 accidents involving one or more drivers who admitted to using cannabis flower or
19.8 cannabinoid products or who tested positive for cannabis or tetrahydrocannabinol, the
19.9 number of arrests of individuals for impaired driving in which the individual tested positive
19.10 for cannabis or tetrahydrocannabinol, and the number of convictions for driving under the
19.11 influence of cannabis flower, cannabinoid products, or tetrahydrocannabinol.

19.12 (d) The office shall provide preliminary reports on the studies conducted pursuant to
19.13 paragraphs (a) to (c) to the legislature by January 15, 2024, and shall provide final reports
19.14 to the legislature by January 15, 2025. The reports may be consolidated into a single report
19.15 by the office.

19.16 (e) The office shall conduct a study on the state's mental health system and substance
19.17 use disorder treatment system to determine the rates at which individuals access those
19.18 systems. At a minimum, the report shall include information about the number of people
19.19 admitted to emergency rooms for treatment of a mental illness or substance use disorder,
19.20 ordered by a court to participate in mental health or substance use programming, and who
19.21 voluntarily agreed to accept mental health or substance use treatment or admission to a
19.22 state-operated treatment program or treatment facility. The report must include summary
19.23 data disaggregated by the month of admission or order; age, race, and sex of the individuals;
19.24 whether the admission or order was for a mental illness or substance use disorder; and, to
19.25 the extent known, the substance of abuse that resulted in the admission or order. Data must
19.26 be obtained, retained, and reported in a way that prevents the unauthorized release of private
19.27 data on individuals as defined in section 13.02. The office shall submit the report by January
19.28 15, 2027, and the report may be combined with the annual report submitted by the office.

19.29 (f) The office shall submit an annual report to the legislature by January 15, 2024, and
19.30 each January 15 thereafter. The annual report shall include but not be limited to the following:

19.31 (1) the status of the regulated cannabis industry;

19.32 (2) the status of the illicit cannabis market;

20.1 (3) the number of accidents, arrests, and convictions involving drivers who admitted to
20.2 using cannabis flower or cannabinoid products or who tested positive for cannabis or
20.3 tetrahydrocannabinol;

20.4 (4) the change in potency, if any, of cannabis flower and cannabinoid products available
20.5 through the regulated market;

20.6 (5) progress on providing opportunities to individuals and communities that experienced
20.7 a disproportionate, negative impact from cannabis prohibition, including but not limited to
20.8 providing relief from criminal convictions and increasing economic opportunities;

20.9 (6) the status of racial and geographic diversity in the cannabis industry;

20.10 (7) proposed legislative changes; and

20.11 (8) recommendations for levels of funding for:

20.12 (i) a coordinated education program to address and raise public awareness about the top
20.13 three adverse health effects, as determined by the commissioner of health, associated with
20.14 the use of cannabis flower or cannabinoid products by individuals under 21 years of age;

20.15 (ii) a coordinated education program to educate pregnant women, breastfeeding women,
20.16 and women who may become pregnant on the adverse health effects of cannabis flower and
20.17 cannabinoid products;

20.18 (iii) training, technical assistance, and educational materials for home visiting programs
20.19 and Tribal home visiting programs regarding safe and unsafe use of cannabis flower and
20.20 cannabinoid products in homes with infants and young children;

20.21 (iv) model programs to educate middle school and high school students on the health
20.22 effects on children and adolescents of the use of cannabis flower, cannabinoid products,
20.23 and other intoxicating or controlled substances;

20.24 (v) grants issued through the CanTrain, CanNavigate, CanStartup, and CanGrow
20.25 programs;

20.26 (vi) grants to organizations for community development in social equity communities
20.27 through the CanRenew program;

20.28 (vii) training of peace officers and law enforcement agencies on changes to laws involving
20.29 cannabis flower, cannabinoid products, and hemp-derived consumer products, and the law's
20.30 impact on searches and seizures;

20.31 (viii) training of peace officers to increase the number of drug recognition experts;

21.1 (ix) training of peace officers on the cultural uses of sage and distinguishing use of sage
 21.2 from the use of cannabis flower, including whether the Board of Peace Officer Standards
 21.3 and Training should approve or develop training materials;

21.4 (x) the retirement and replacement of drug detection dogs; and

21.5 (xi) the Department of Human Services and county social service agencies to address
 21.6 any increase in demand for services.

21.7 (g) In developing the recommended funding levels under paragraph (f), clause 8, items
 21.8 (vii) to (xi), the office shall consult with local law enforcement agencies, the Minnesota
 21.9 Chiefs of Police Association, the Minnesota Sheriff's Association, the League of Minnesota
 21.10 Cities, the Association of Minnesota Counties, and county social services agencies.

21.11 **Sec. 5. [342.05] STATEWIDE MONITORING SYSTEM.**

21.12 Subdivision 1. **Statewide monitoring.** The office must contract with an outside vendor
 21.13 to establish a statewide monitoring system for integrated cannabis tracking, inventory, and
 21.14 verification to track all cannabis plants, cannabis flower, cannabinoid products, and artificially
 21.15 derived cannabinoids from seed, immature plant, or creation until disposal or sale to a patient
 21.16 or customer.

21.17 Subd. 2. **Data submission requirements.** The monitoring system must allow cannabis
 21.18 businesses to submit monitoring data to the office through the use of monitoring system
 21.19 software commonly used within the cannabis industry and may also permit cannabis
 21.20 businesses to submit monitoring data through manual data entry with approval from the
 21.21 office.

21.22 **Sec. 6. [342.06] APPROVAL OF CANNABIS FLOWER, PRODUCTS, AND**
 21.23 **CANNABINOIDS.**

21.24 (a) The office shall approve types of cannabis flower, cannabinoid products, and
 21.25 hemp-derived consumer products other than hemp-derived topical products for retail sale.

21.26 (b) The office shall not approve any cannabinoid product or hemp-derived consumer
 21.27 product that:

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

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

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

22.3 (4) contains a synthetic cannabinoid;

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

22.7 (6) if the product is an edible cannabinoid product, contains an ingredient, other than a
 22.8 cannabinoid, that is not approved by the United States Food and Drug Administration for
 22.9 use in food.

22.10 (c) The office must not approve any cannabis flower, cannabinoid product, or
 22.11 hemp-derived consumer product that:

22.12 (1) is intended to be consumed by combustion or vaporization of the product and
 22.13 inhalation of smoke, aerosol, or vapor from the product; and

22.14 (2) imparts a taste or smell, other than the taste or smell of cannabis flower, that:

22.15 (i) is distinguishable by an ordinary person before or during consumption of the product;
 22.16 and

22.17 (ii) is designed or likely to appeal to individuals under 21 years of age.

22.18 (d) The office may adopt rules to limit or prohibit ingredients in or additives to cannabis
 22.19 flower, cannabinoid products, or hemp-derived consumer products to ensure compliance
 22.20 with the limitations in paragraph (c).

22.21 **Sec. 7. [342.07] AGRICULTURAL AND FOOD SAFETY PRACTICES;**
 22.22 **RULEMAKING.**

22.23 Subdivision 1. **Plant propagation standards.** In consultation with the commissioner
 22.24 of agriculture, the office by rule must establish certification, testing, and labeling
 22.25 requirements for the methods used to grow new cannabis plants or hemp plants, including
 22.26 but not limited to growth from seed, clone, cutting, or tissue culture. The requirements must
 22.27 prohibit the cultivation of cannabis plants derived from genetic engineering, as defined in
 22.28 section 18F.02, subdivision 4.

22.29 Subd. 2. **Agricultural best practices.** In consultation with the commissioner of
 22.30 agriculture and representatives from the University of Minnesota Extension Service, the
 22.31 office shall establish best practices for:

23.1 (1) the cultivation and preparation of cannabis plants; and

23.2 (2) the use of pesticides, fertilizers, soil amendments, and plant amendments in relation
 23.3 to growing cannabis plants.

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

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

23.10 (c) The office must regulate edible cannabinoid product handlers and assess penalties
 23.11 in the same manner provided for food handlers under chapters 28A, 31, and 34A and
 23.12 associated rules, with the following exceptions:

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

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

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

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

23.21 (5) an edible cannabinoid product must not be considered adulterated solely because the
 23.22 product contains tetrahydrocannabinol, cannabis concentrate, or any other material extracted
 23.23 or derived from a cannabis plant, cannabis flower, hemp plant, or hemp plant parts.

23.24 (d) The edible cannabinoid product handler endorsement must prohibit the manufacture
 23.25 of edible cannabinoid products at the same premises where food is manufactured, except
 23.26 for the limited production of edible products produced solely for product development,
 23.27 sampling, or testing.

23.28 Sec. 8. **[342.08] ESTABLISHMENT OF ENVIRONMENTAL STANDARDS.**

23.29 Subdivision 1. **Water standards.** In consultation with the commissioner of the Pollution
 23.30 Control Agency, the office by rule must establish appropriate water standards for cannabis
 23.31 businesses.

24.1 Subd. 2. **Energy use.** In consultation with the commissioner of commerce, the office
 24.2 by rule must establish appropriate energy standards for cannabis businesses.

24.3 Subd. 3. **Solid waste.** In consultation with the commissioner of the Pollution Control
 24.4 Agency, the office by rule must establish appropriate solid waste standards for the disposal
 24.5 of:

24.6 (1) cannabis flower and cannabinoid products;

24.7 (2) packaging;

24.8 (3) recyclable materials, including minimum requirements for the use of recyclable
 24.9 materials; and

24.10 (4) other solid waste.

24.11 Subd. 4. **Odor.** The office by rule must establish appropriate standards and requirements
 24.12 to limit odors produced by cannabis businesses.

24.13 Subd. 5. **Applicability; federal, state, and local laws.** A cannabis business must comply
 24.14 with all applicable federal, state, and local laws related to the subjects of subdivisions 1 to
 24.15 4.

24.16 Subd. 6. **Rulemaking.** (a) The office may only adopt a rule under this section if the rule
 24.17 is consistent with and at least as stringent as applicable state and federal laws related to the
 24.18 subjects of subdivisions 1 to 4.

24.19 (b) The office must coordinate and consult with a department or agency of the state
 24.20 regarding the development and implementation of a rule under this section if the department
 24.21 or agency has expertise or a regulatory interest in the subject matter of the rule.

24.22 Sec. 9. **[342.09] PERSONAL ADULT USE OF CANNABIS.**

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

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

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

24.27 (3) possess five pounds or less of adult-use cannabis flower in the individual's private
 24.28 residence;

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

25.1 (5) possess or transport edible cannabinoid products infused with a combined total of
25.2 800 milligrams or less of tetrahydrocannabinol;

25.3 (6) give for no remuneration two ounces or less of adult-use cannabis flower, eight grams
25.4 or less of adult-use cannabis concentrate, or an edible cannabinoid product infused with
25.5 800 milligrams or less of tetrahydrocannabinol to an individual who is at least 21 years of
25.6 age; and

25.7 (7) use adult-use cannabis flower and adult-use cannabinoid products in the following
25.8 locations:

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

25.10 (ii) on private property, not generally accessible by the public, unless the individual is
25.11 explicitly prohibited from consuming cannabis flower or cannabinoid products on the
25.12 property by the owner of the property; or

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

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

25.15 (1) use, possess, or transport cannabis flower or cannabinoid products if the individual
25.16 is under 21 years of age;

25.17 (2) use cannabis flower or cannabinoid products in a motor vehicle as defined in section
25.18 169A.03, subdivision 15;

25.19 (3) use cannabis flower or cannabinoid products at any location where smoking is
25.20 prohibited under section 144.414;

25.21 (4) use or possess cannabis flower or cannabinoid products in a public school, as defined
25.22 in section 120A.05, subdivisions 9, 11, and 13, or in a charter school governed by chapter
25.23 124E, including all facilities, whether owned, rented, or leased, and all vehicles that a school
25.24 district owns, leases, rents, contracts for, or controls;

25.25 (5) use or possess cannabis flower or cannabinoid products in a state correctional facility;

25.26 (6) operate a motor vehicle while under the influence of cannabis flower or cannabinoid
25.27 products;

25.28 (7) give for no remuneration cannabis flower or cannabinoid products to an individual
25.29 under 21 years of age; or

25.30 (8) give for no remuneration cannabis flower or cannabinoid products as a sample or
25.31 promotional gift if the giver is in the business of selling goods or services.

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

26.5 (d) A proprietor of a family or group family day care program must disclose to parents
26.6 or guardians of children cared for on the premises of the family or group family day care
26.7 program, if the proprietor permits the smoking or use of cannabis flower or cannabinoid
26.8 products on the premises outside of its hours of operation. Disclosure must include posting
26.9 on the premises a conspicuous written notice and orally informing parents or guardians.

26.10 Subd. 2. **Home cultivation of cannabis for personal adult use.** Up to eight cannabis
26.11 plants, with no more than four being mature, flowering plants may be grown at a single
26.12 residence, including the curtilage or yard, without a license to cultivate cannabis issued
26.13 under this chapter provided that cultivation takes place at the primary residence of an
26.14 individual 21 years of age or older and in an enclosed, locked space that is not open to public
26.15 view.

26.16 Subd. 3. **Home extraction of cannabis concentrate by use of volatile solvent**
26.17 **prohibited.** No person may use a volatile solvent to separate or extract cannabis concentrate
26.18 without a cannabis manufacturer, cannabis microbusiness, or medical cannabis processor
26.19 license issued under this chapter.

26.20 Subd. 4. **Sale of cannabis flower and cannabinoid products prohibited.** No person
26.21 may sell cannabis flower or cannabinoid products without a license issued under this chapter
26.22 that authorizes the sale.

26.23 Subd. 5. **Importation of hemp-derived products.** No person may import lower potency
26.24 edible products or hemp-derived consumer products, other than hemp-derived topical
26.25 products, that are manufactured outside the boundaries of the state of Minnesota with the
26.26 intent to sell the products to consumers within the state or to any other person or business
26.27 that intends to sell the products to consumers within the state without a license issued under
26.28 this chapter that authorizes the importation of such products. This subdivision does not
26.29 apply to products lawfully purchased for personal use.

26.30 Subd. 6. **Violations; penalties.** (a) In addition to penalties listed in this subdivision, a
26.31 person who violates the provisions of this chapter is subject to any applicable criminal
26.32 penalty.

27.1 (b) The office may assess the following civil penalties on a person who sells cannabis
27.2 flower or cannabinoid products without a license issued under this chapter that authorizes
27.3 the sale:

27.4 (1) if the person sells more than two ounces but not more than eight ounces of cannabis
27.5 flower, up to \$1,000;

27.6 (2) if the person sells more than eight ounces but not more than one pound of cannabis
27.7 flower, up to \$5,000;

27.8 (3) if the person sells more than one pound but not more than five pounds of cannabis
27.9 flower, up to \$25,000;

27.10 (4) if the person sells more than five pounds but not more than 25 pounds of cannabis
27.11 flower, up to \$100,000;

27.12 (5) if the person sells more than 25 pounds but not more than 50 pounds of cannabis
27.13 flower, up to \$250,000; and

27.14 (6) if the person sells more than 50 pounds of cannabis flower, up to \$1,000,000.

27.15 (c) The office may assess the following civil penalties on a person who sells cannabis
27.16 concentrate without a license issued under this chapter that authorizes the sale:

27.17 (1) if the person sells more than eight grams but not more than 40 grams of cannabis
27.18 concentrate, up to \$1,000;

27.19 (2) if the person sells more than 40 grams but not more than 80 grams of cannabis
27.20 concentrate, up to \$5,000;

27.21 (3) if the person sells more than 80 grams but not more than 400 grams of cannabis
27.22 concentrate, up to \$25,000;

27.23 (4) if the person sells more than 400 grams but not more than two kilograms of cannabis
27.24 concentrate, up to \$100,000;

27.25 (5) if the person sells more than two kilograms but not more than four kilograms of
27.26 cannabis concentrate, up to \$250,000; and

27.27 (6) if the person sells more than four kilograms of cannabis concentrate, up to \$1,000,000.

27.28 (d) The office may assess the following civil penalties on a person who imports or sells
27.29 products infused with tetrahydrocannabinol without a license issued under this chapter that
27.30 authorizes the importation or sale:

28.1 (1) if the person imports or sells products infused with a total of more than 800 milligrams
 28.2 but not more than four grams of tetrahydrocannabinol, up to \$1,000;

28.3 (2) if the person imports or sells products infused with a total of more than four grams
 28.4 but not more than eight grams of tetrahydrocannabinol, up to \$5,000;

28.5 (3) if the person imports or sells products infused with a total of more than eight grams
 28.6 but not more than 40 grams of tetrahydrocannabinol, up to \$25,000;

28.7 (4) if the person imports or sells products infused with a total of more than 40 grams
 28.8 but not more than 200 grams of tetrahydrocannabinol, up to \$100,000;

28.9 (5) if the person imports or sells products infused with a total of more than 200 grams
 28.10 but not more than 400 grams of tetrahydrocannabinol, up to \$250,000; and

28.11 (6) if the person imports or sells products infused with a total of more than 400 grams
 28.12 of tetrahydrocannabinol, up to \$1,000,000.

28.13 (e) The office may assess a civil penalty of up to \$500 for each plant grown in excess
 28.14 of the limit on a person who grows more than eight cannabis plants or more than four mature,
 28.15 flowering plants, without a license to cultivate cannabis issued under this chapter.

28.16 Sec. 10. [342.10] LICENSES; TYPES.

28.17 The office shall issue the following types of license:

28.18 (1) cannabis cultivator, including:

28.19 (i) craft cultivator; and

28.20 (ii) bulk cultivator;

28.21 (2) cannabis manufacturer;

28.22 (3) cannabis retailer;

28.23 (4) cannabis wholesaler;

28.24 (5) cannabis transporter;

28.25 (6) cannabis testing facility;

28.26 (7) cannabis microbusiness;

28.27 (8) cannabis event organizer;

28.28 (9) cannabis delivery service;

28.29 (10) lower potency edible retailer;

29.1 (11) medical cannabis cultivator;

29.2 (12) medical cannabis processor; and

29.3 (13) medical cannabis retailer.

29.4 **Sec. 11. [342.11] LICENSES; FEES.**

29.5 Except for the application fees authorized under sections 342.12, paragraph (d), and
29.6 342.15, subdivision 4, the office shall not charge a fee for annual licenses issued under this
29.7 chapter.

29.8 **Sec. 12. [342.12] LICENSES; TRANSFERS; ADJUSTMENTS.**

29.9 (a) Licenses issued under this chapter may not be transferred. A new license must be
29.10 obtained when:

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

29.13 (2) the licensee dissolves, consolidates, or merges with another legal organization;

29.14 (3) within the previous 24 months, 50 percent or more of the licensee is transferred by
29.15 a single transaction or multiple transactions to:

29.16 (i) another person or legal organization; or

29.17 (ii) a person or legal organization who had less than a five percent ownership interest
29.18 in the licensee at the time of the first transaction; or

29.19 (4) any other event or combination of events that results in a substitution, elimination,
29.20 or withdrawal of the licensee's responsibility for the operation of the licensee.

29.21 (b) Licenses must be renewed annually.

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

29.24 (d) The office by rule may permit relocation of a licensed cannabis business, adopt
29.25 requirements for the submission of a license relocation application, establish standards for
29.26 the approval of a relocation application, and charge a fee not to exceed \$250 for reviewing
29.27 and processing applications. Relocation of a licensed premises pursuant to this paragraph
29.28 does not extend or otherwise modify the license term of the license subject to relocation.

30.1 Sec. 13. [342.14] LOCAL CONTROL.

30.2 (a) A local unit of government may not prohibit the possession, transportation, or use
30.3 of cannabis flower or cannabinoid products authorized under this chapter.

30.4 (b) A local unit of government may not prohibit the establishment or operation of a
30.5 cannabis business licensed under this chapter.

30.6 (c) A local unit of government may adopt reasonable restrictions on the time, place, and
30.7 manner of the operation of a cannabis business provided that such restrictions do not prohibit
30.8 the establishment or operation of cannabis businesses. A local unit of government may
30.9 prohibit the operation of a cannabis business within 1,000 feet of a school, day care, nursing
30.10 home, union headquarters, house of worship, or the Capitol or Capitol grounds provided
30.11 that the prohibition does not have the effect of prohibiting the establishment or operation
30.12 of a cannabis business within the boundaries of that local unit of government.

30.13 (d) The office shall work with local units of government to develop model ordinances
30.14 for reasonable restrictions on the time, place, and manner of the operation of a cannabis
30.15 business.

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

30.25 (f) Within 30 days of receiving a copy of an application from the office, a local unit of
30.26 government shall certify on a form provided by the office whether a proposed cannabis
30.27 business complies with local zoning ordinances and, if applicable, whether the proposed
30.28 business complies with the state fire code and building code.

30.29 (g) Upon receipt of an application for a license issued under this chapter, the office shall
30.30 contact the local unit of government in which the business would be located and provide
30.31 the local unit of government with 30 days in which to provide input on the application. The
30.32 local unit of government may provide the office with any additional information it believes
30.33 is relevant to the office's decision on whether to issue a license, including but not limited

31.1 to identifying concerns about the proposed location of a cannabis business or sharing public
 31.2 information about an applicant.

31.3 (h) The office by rule shall establish an expedited complaint process to receive, review,
 31.4 and respond to complaints made by a local unit of government about a cannabis business.
 31.5 Complaints may include alleged violations of local ordinances or other alleged violations.
 31.6 At a minimum, the expedited complaint process shall require the office to provide an initial
 31.7 response to the complaint within seven days and perform any necessary inspections within
 31.8 30 days. Nothing in this paragraphs prohibits a local unit of government from enforcing a
 31.9 local ordinance.

31.10 **Sec. 14. [342.15] LICENSE APPLICATION AND RENEWAL; FEES.**

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

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

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

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

31.18 (4) the address and legal property description of the business;

31.19 (5) documentation showing legal possession of the premises where the business will
 31.20 operate;

31.21 (6) a diagram of the premises, including a security drawing;

31.22 (7) a copy of the security plan;

31.23 (8) proof of trade name registration;

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

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

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

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

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

32.5 (b) An applicant must file and update as necessary a disclosure of ownership and control.
 32.6 The office by rule shall establish the contents and form of the disclosure. At a minimum,
 32.7 the disclosure shall include the following:

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

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

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

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

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

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

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

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

32.27 (c) An application may include:

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

32.29 (2) a diversity plan that establishes a goal of diversity in ownership, management,
 32.30 employment, and contracting;

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

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

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

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

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

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

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

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

33.22 (e) Within 90 days of receiving a completed application, the office shall issue the
 33.23 appropriate license or send the applicant a notice of rejection setting forth specific reasons
 33.24 that the office did not approve the application.

33.25 Subd. 3. **Criminal history check.** A license applicant or, in the case of a business entity,
 33.26 every cooperative member or director, manager, and general partner of the business entity,
 33.27 must submit a completed criminal history records check consent form, a full set of classifiable
 33.28 fingerprints, and the required fees to the office. Upon receipt of this information, the office
 33.29 must submit the completed criminal history records check consent form, full set of classifiable
 33.30 fingerprints, and required fees to the Bureau of Criminal Apprehension. After receiving this
 33.31 information, the bureau must conduct a Minnesota criminal history records check of the
 33.32 license applicant. The bureau may exchange a license applicant's fingerprints with the
 33.33 Federal Bureau of Investigation to obtain the applicant's national criminal history record

34.1 information. The bureau must return the results of the Minnesota and federal criminal history
34.2 records checks to the director to determine if the applicant is disqualified under section
34.3 342.20.

34.4 Subd. 4. **Application; fees.** The office may charge a nonrefundable fee, not to exceed
34.5 \$250, to cover the costs associated with reviewing and processing applications.

34.6 **Sec. 15. [342.16] SOCIAL EQUITY APPLICANTS.**

34.7 An individual qualifies as a social equity applicant if the individual is:

34.8 (1) a military veteran who lost honorable status due to a cannabis-related offense;

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

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

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

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

34.21 **Sec. 16. [342.17] LICENSE SELECTION CRITERIA.**

34.22 Subdivision 1. **Market stability.** The office shall issue the necessary number of licenses
34.23 in order to ensure the sufficient supply of cannabis flower and cannabinoid products to meet
34.24 demand, provide market stability, and limit the sale of unregulated cannabis flower and
34.25 cannabinoid products.

34.26 Subd. 2. **Craft cultivation priority.** (a) The office shall prioritize issuance of
34.27 microbusiness licenses with an endorsement to cultivate cannabis flower and craft cultivator
34.28 licenses.

34.29 (b) Unless the office determines that the issuance of bulk cultivator licenses is necessary
34.30 to ensure a sufficient supply of cannabis flower and cannabinoid products, the office shall
34.31 not issue a bulk cultivator license before July 1, 2028.

35.1 Subd. 3. **Vertical integration prohibited; exceptions.** (a) Except as otherwise provided
 35.2 in this subdivision, the office shall not issue licenses to a single applicant that would result
 35.3 in the applicant being vertically integrated in violation of the provisions of this chapter.

35.4 (b) Nothing in this section prohibits or limits the issuance of microbusiness licenses.

35.5 (c) If the office determines that the issuance of multiple licenses resulting in a single
 35.6 applicant being vertically integrated is necessary to ensure a sufficient supply of cannabis
 35.7 flower and cannabinoid products during the first calendar year in which cannabis flower
 35.8 and cannabinoid products are lawfully sold to customers, the office may authorize one or
 35.9 more applicants to be fully vertically integrated. Regardless of when the licenses were
 35.10 issued, licenses issued under the terms of this paragraph expire one year after the first day
 35.11 on which cannabis flower and cannabinoid products are lawfully sold to customers and the
 35.12 office may not issue multiple licenses resulting in a single applicant being vertically
 35.13 integrated after that date.

35.14 Subd. 4. **Application score; license priority.** (a) The office shall award points to each
 35.15 completed application in the following categories:

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

35.18 (2) status as a veteran applicant;

35.19 (3) security and record keeping;

35.20 (4) employee training plan;

35.21 (5) business plan and financial situation;

35.22 (6) diversity plan;

35.23 (7) labor and employment practices;

35.24 (8) knowledge and experience; and

35.25 (9) environmental plan.

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

35.29 (c) The office shall establish application materials permitting individual applicants to
 35.30 demonstrate the impact that cannabis prohibition has had on that applicant including but
 35.31 not limited to the arrest or imprisonment of the applicant or a member of the applicant's

36.1 immediate family, and the office may award points to such applicants in the same manner
 36.2 as points are awarded to social equity applicants.

36.3 (d) The office shall establish policies and guidelines, which shall be made available to
 36.4 the public, regarding the number of points available in each category and the basis for
 36.5 awarding those points. Status as a social equity applicant must account for at least 20 percent
 36.6 of the total available points. In determining the number of points to award to a cooperative
 36.7 or business applying as a social equity applicant, the office shall consider the number or
 36.8 ownership percentage of cooperative members, officers, directors, managers, and general
 36.9 partners who qualify as social equity applicants.

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

36.15 **Sec. 17. [342.18] INSPECTION; LICENSE VIOLATIONS; PENALTIES.**

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

36.19 (1) enter any cannabis business without delay and at reasonable times;

36.20 (2) inspect and investigate during regular working hours and at other reasonable times,
 36.21 within reasonable limits and in a reasonable manner, any cannabis business and all relevant
 36.22 conditions, equipment, records, and materials therein; and

36.23 (3) question privately any employer, owner, operator, agent, or employee of a cannabis
 36.24 business.

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

36.27 Subd. 2. **Powers of office.** (a) In making inspections and investigations under this chapter,
 36.28 the office shall have the power to administer oaths, certify as to official acts, take and cause
 36.29 to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses
 36.30 and production of papers, books, documents, records, and testimony. In case of failure of
 36.31 any person to comply with any subpoena lawfully issued, or on the refusal of any witness
 36.32 to produce evidence or to testify to any matter regarding which the person may be lawfully
 36.33 interrogated, the district court shall, upon application of the office, compel obedience

37.1 proceedings for contempt, as in the case of disobedience of the requirements of a subpoena
37.2 issued by the court or a refusal to testify therein.

37.3 (b) If the office finds probable cause to believe that any cannabis plant, cannabis flower,
37.4 artificially derived cannabinoid, or cannabinoid product is being distributed in violation of
37.5 this chapter or rules adopted under this chapter, the office shall affix to the cannabis plant,
37.6 cannabis flower, artificially derived cannabinoid, or cannabinoid product a tag, withdrawal
37.7 from distribution order, or other appropriate marking providing notice that the cannabis
37.8 plant, cannabis flower, artificially derived cannabinoid, or cannabinoid product is, or is
37.9 suspected of being, distributed in violation of this chapter, and has been detained or
37.10 embargoed, and warning all persons not to remove or dispose of the cannabis plant, cannabis
37.11 flower, artificially derived cannabinoid, or cannabinoid product by sale or otherwise until
37.12 permission for removal or disposal is given by the office or the court. It is unlawful for a
37.13 person to remove or dispose of detained or embargoed cannabis plant, cannabis flower,
37.14 artificially derived cannabinoid, or cannabinoid product by sale or otherwise without the
37.15 office's or a court's permission and each transaction is a separate violation of this section.

37.16 (c) If any cannabis plant, cannabis flower, artificially derived cannabinoid, or cannabinoid
37.17 product has been found by the office to be in violation of this chapter, the office shall petition
37.18 the district court in the county in which the cannabis plant, cannabis flower, artificially
37.19 derived cannabinoid, or cannabinoid product is detained or embargoed for an order and
37.20 decree for the condemnation of the cannabis plant, cannabis flower, artificially derived
37.21 cannabinoid, or cannabinoid product. The office shall release the cannabis plant, cannabis
37.22 flower, artificially derived cannabinoid, or cannabinoid product when this chapter and rules
37.23 adopted under this chapter have been complied with or the cannabis plant, cannabis flower,
37.24 artificially derived cannabinoid, or cannabinoid product is found not to be in violation of
37.25 this chapter or rules adopted under this chapter.

37.26 (d) If the court finds that detained or embargoed cannabis plant, cannabis flower,
37.27 artificially derived cannabinoid, or cannabinoid product is in violation of this chapter or
37.28 rules adopted under this chapter, the following remedies are available:

37.29 (1) after entering a decree, the cannabis plant, cannabis flower, artificially derived
37.30 cannabinoid, or cannabinoid product may be destroyed at the expense of the claimant under
37.31 the supervision of the office, and all court costs, fees, storage, and other proper expenses
37.32 must be assessed against the claimant of the cannabis plant, cannabis flower, artificially
37.33 derived cannabinoid, or cannabinoid product or the claimant's agent; and

38.1 (2) if the violation can be corrected by proper labeling or processing of the cannabis
38.2 plant, cannabis flower, artificially derived cannabinoid, or cannabinoid product, the court,
38.3 after entry of the decree and after costs, fees, and expenses have been paid, and a good and
38.4 sufficient bond conditioned that the cannabis plant, cannabis flower, artificially derived
38.5 cannabinoid, or cannabinoid product must be properly labeled or processed has been
38.6 executed, may by order direct that the cannabis plant, cannabis flower, artificially derived
38.7 cannabinoid, or cannabinoid product be delivered to the claimant for proper labeling or
38.8 processing under the supervision of the office. The office's supervision expenses must be
38.9 paid by the claimant. The cannabis plant, cannabis flower, artificially derived cannabinoid,
38.10 or cannabinoid product must be returned to the claimant and the bond must be discharged
38.11 on representation to the court by the office that the cannabis plant, cannabis flower, artificially
38.12 derived cannabinoid, or cannabinoid product is no longer in violation and that the office's
38.13 supervision expenses have been paid.

38.14 (e) If the office finds in any room, building, piece of equipment, vehicle of transportation,
38.15 or other structure any cannabis plant, cannabis flower, artificially derived cannabinoid, or
38.16 cannabinoid product that is unsound or contains any filthy, decomposed, or putrid substance,
38.17 or that may be poisonous or deleterious to health or otherwise unsafe, the office shall
38.18 condemn or destroy the item or in any other manner render the item as unsalable, and no
38.19 one has any cause of action against the office on account of the office's action.

38.20 (f) The office may enter into an agreement with the commissioner of agriculture to
38.21 analyze and examine samples or other articles furnished by the office for the purpose of
38.22 determining whether the sample or article violates this chapter or rules adopted under this
38.23 chapter. A copy of the examination or analysis report for any such article, duly authenticated
38.24 under oath by the laboratory analyst making the determination or examination, shall be
38.25 prima facie evidence in all courts of the matters and facts contained in the report.

38.26 Subd. 3. **Aiding of inspection.** Subject to rules issued by the office, a representative of
38.27 a cannabis business shall be given an opportunity to accompany the office during the physical
38.28 inspection of any cannabis business for the purpose of aiding such inspection.

38.29 Subd. 4. **Complaints and reports; priority of inspection.** (a) The office may conduct
38.30 inspections of any licensed cannabis business at any time to ensure compliance with the
38.31 ownership and operation requirements of this chapter.

38.32 (b) Any person may report a suspected violation of a safety or health standard. If upon
38.33 receipt of such notification the office determines that there are reasonable grounds to believe

39.1 that such violation or danger exists, the office shall make a special inspection as soon as
39.2 practicable to determine if such danger or violation exists.

39.3 (c) The office shall prioritize inspections of cannabis businesses where there are
39.4 reasonable grounds to believe that a violation poses imminent danger to the public or
39.5 customers.

39.6 (d) The office shall promptly inspect cannabis businesses that are the subject of complaint
39.7 by a local unit of government.

39.8 **Subd. 5. Violations; administrative orders and penalties.** (a) The office may issue an
39.9 administrative order to any licensed cannabis business that the office determines has
39.10 committed a violation of this chapter or rules adopted pursuant to this chapter. The
39.11 administrative order may require the business to correct the violation or to cease and desist
39.12 from committing the violation. The order must state the deficiencies that constitute the
39.13 violation and the time by which the violation must be corrected. If the business believes
39.14 that the information in the administrative order is in error, the person may ask the office to
39.15 consider the parts of the order that are alleged to be in error. The request must be in writing,
39.16 delivered to the office by certified mail within seven days after receipt of the order, and
39.17 provide documentation to support the allegation of error. The office must respond to a
39.18 request for reconsideration within 15 days after receiving the request. A request for
39.19 reconsideration does not stay the correction order unless the office issues a supplemental
39.20 order granting additional time. The office's disposition of a request for reconsideration is
39.21 final.

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

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

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

39.30 **Subd. 6. Nonpublic data.** (a) The following data collected, created, or maintained by
39.31 the office is classified as private, pursuant to section 13.02, subdivision 9:

39.32 (1) data submitted by an applicant for a cannabis business license, other than the
39.33 applicant's name and designated address;

40.1 (2) the identity of a complainant who has made a report concerning a license holder or
 40.2 applicant that appears in inactive complaint data unless the complainant consents to the
 40.3 disclosure;

40.4 (3) the nature or content of unsubstantiated complaints when the information is not
 40.5 maintained in anticipation of legal action;

40.6 (4) inactive investigative data relating to violations of statutes or rules;

40.7 (5) the record of any disciplinary proceeding except as limited by paragraph (b);

40.8 (6) data identifying retail or wholesale customers of a cannabis business; and

40.9 (7) data identifying cannabis workers.

40.10 (b) Minutes, application data on license holders except nondesignated addresses, orders
 40.11 for hearing, findings of fact, conclusions of law, and specification of the final disciplinary
 40.12 action contained in the record of the disciplinary action are classified as public, pursuant to
 40.13 section 13.02, subdivision 15. If there is a public hearing concerning the disciplinary action,
 40.14 the entire record concerning the disciplinary proceeding is public data pursuant to section
 40.15 13.02, subdivision 15. If the license holder and the office agree to resolve a complaint
 40.16 without a hearing, the agreement and the specific reasons for the agreement are public data.

40.17 (c) The office must establish written procedures to ensure that only individuals authorized
 40.18 by law may enter, update, or access the data classified as nonpublic or private data on
 40.19 individuals in this subdivision. An authorized individual's ability to enter, update, or access
 40.20 data in the system must correspond to the official duties or training level of the individual
 40.21 and to the statutory authorization granting access for that purpose. All queries and responses,
 40.22 and all actions in which not public data are entered, updated, accessed, shared, or
 40.23 disseminated, must be recorded in a data audit trail. Data contained in the audit trail have
 40.24 the same classification as the underlying data tracked by the audit trail.

40.25 (d) The office must not share data classified as private under this subdivision or other
 40.26 data identifying an individual applicant or license holder with any federal agency, federal
 40.27 department, or federal entity unless specifically ordered to do so by a state or federal court.

40.28 **Sec. 18. [342.19] LICENSE SUSPENSION OR REVOCATION; HEARING.**

40.29 Subdivision 1. **License revocation and nonrenewal.** The office may revoke or not
 40.30 renew a license when the office has cause to believe that a cannabis business has violated
 40.31 an ownership or operational requirement in this chapter or rules adopted pursuant to this
 40.32 chapter. The office must notify the license holder in writing, specifying the grounds for

41.1 revocation or nonrenewal and fixing a time of at least 20 days thereafter for a hearing on
 41.2 the matter.

41.3 Subd. 2. **Hearing; written findings.** (a) Before the office revokes or does not renew a
 41.4 license, the office must provide the license holder with a statement of the complaints made
 41.5 against the license holder, and the office must hold a hearing to determine whether the office
 41.6 should revoke the license or deny renewal of the license. The license holder shall receive
 41.7 notice at least 20 days before the date of the hearing and notice may be served either by
 41.8 certified mail addressed to the address of the license holder as shown in the license
 41.9 application or in the manner provided by law for the service of a summons. At the time and
 41.10 place fixed for the hearing, the office, or any office employee or agent authorized by the
 41.11 office to conduct the hearing, shall receive evidence, administer oaths, and examine witnesses.

41.12 (b) After the hearing held pursuant to paragraph (a), or upon the failure of the license
 41.13 holder to appear at the hearing, the office must take action as is deemed advisable and issue
 41.14 written findings that the office must mail to the license holder. An action of the office under
 41.15 this paragraph is subject to judicial review pursuant to chapter 14.

41.16 Subd. 3. **Temporary suspension.** The office may temporarily, without hearing, suspend
 41.17 the license and operating privilege of any business licensed under this chapter for up to 90
 41.18 days if continuing the operation of the business would threaten the health or safety of any
 41.19 person. The office may extend the period for an additional 90 days if the office notified the
 41.20 business that the office intends to revoke or not renew a license and the hearing required
 41.21 under subdivision 2 has not taken place.

41.22 Sec. 19. **[342.20] ADULT-USE CANNABIS BUSINESS; GENERAL OWNERSHIP**
 41.23 **DISQUALIFICATIONS AND REQUIREMENTS.**

41.24 Subdivision 1. **Criminal history check.** Every license applicant and prospective cannabis
 41.25 worker must submit a completed criminal history records check consent form, a full set of
 41.26 classifiable fingerprints, and the required fees to the office. Upon receipt of this information,
 41.27 the office must submit the completed criminal history records check consent form, full set
 41.28 of classifiable fingerprints, and required fees to the Bureau of Criminal Apprehension. After
 41.29 receiving this information, the bureau must conduct a Minnesota criminal history records
 41.30 check of the license applicant. The bureau may exchange a license applicant's fingerprints
 41.31 with the Federal Bureau of Investigation to obtain the applicant's national criminal history
 41.32 record information. The bureau must return the results of the Minnesota and federal criminal
 41.33 history records checks to the director to determine if the applicant is disqualified under this
 41.34 section.

42.1 Subd. 2. **Criminal offenses; disqualifications.** (a) No person may hold or receive a
42.2 license issued under this chapter or work for a cannabis business if the person has been
42.3 convicted of, or received a stay of adjudication for, a violation of a state or federal controlled
42.4 substance law that is a felony under Minnesota law or would be a felony if committed in
42.5 Minnesota, regardless of the sentence imposed, unless the office determines that the person's
42.6 conviction was for the possession or sale of cannabis.

42.7 (b) A person who has been convicted of, or received a stay of adjudication for, a violation
42.8 of Minnesota Statutes 2022, section 152.023, subdivision 1, clause (3), or a state or federal
42.9 law in conformity with that provision, for the sale of cannabis to a person under the age of
42.10 18 may hold or receive a license issued under this chapter, or work for a cannabis business,
42.11 if 20 years have passed since the date the person was convicted or adjudication was stayed.

42.12 (c) Except as provided in paragraph (a), (b), or (d), a person who has been convicted of,
42.13 or received a stay of adjudication for, a violation of a state or federal law that is a felony
42.14 under Minnesota law or would be a felony if committed in Minnesota, regardless of the
42.15 sentence imposed, may hold or receive a license issued under this chapter, or work for a
42.16 cannabis business, if five years have passed since the discharge of the sentence.

42.17 (d) No license holder or applicant may hold or receive a license issued under this chapter,
42.18 or work for a cannabis business, if the person has been convicted of a sale of cannabis in
42.19 the first degree under section 152.0264, subdivision 2.

42.20 (e) A person who has been convicted of sale of cannabis in the second degree under
42.21 section 152.0264, subdivision 3, may hold or receive a license issued under this chapter or
42.22 work for a cannabis business if ten years have passed since the discharge of the sentence.

42.23 (f) A person who has been convicted of sale of cannabis in the third degree under section
42.24 152.0264, subdivision 4, may hold or receive a license issued under this chapter or work
42.25 for a cannabis business if five years have passed since the discharge of the sentence.

42.26 (g) A person who has been convicted of sale of cannabis in the fourth degree under
42.27 section 152.0264, subdivision 5, may hold or receive a license issued under this chapter or
42.28 work for a cannabis business if one year has passed since the discharge of the sentence.

42.29 (h) If the license holder or applicant is a business entity, the disqualifications under this
42.30 subdivision apply to every cooperative member or every director, manager, and general
42.31 partner of the business entity.

42.32 Subd. 3. **Risk of harm; set aside.** The office may set aside a disqualification under
42.33 subdivision 2 if the office finds that the person has submitted sufficient information to

43.1 demonstrate that the person does not pose a risk of harm to any person served by the
43.2 applicant, license holder, or other entities as provided in this chapter.

43.3 Subd. 4. General requirements. (a) A license holder or applicant must meet each of
43.4 the following requirements, if applicable, to hold or receive a license issued under this
43.5 chapter:

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

43.7 (2) have completed an application for licensure or application for renewal;

43.8 (3) have paid the applicable application fee;

43.9 (4) reside in the state;

43.10 (5) if the applicant or license holder is a business entity, be incorporated in the state or
43.11 otherwise formed or organized under the laws of the state;

43.12 (6) if the applicant or license holder is a business entity, at least 75 percent of the business
43.13 must be owned by Minnesota residents;

43.14 (7) not be employed by the office or any state agency with regulatory authority under
43.15 this chapter or the rules adopted pursuant to this chapter;

43.16 (8) not be a licensed peace officer, as defined in section 626.84, subdivision 1, paragraph
43.17 (c);

43.18 (9) never have had a license previously issued under this chapter revoked;

43.19 (10) have filed any previously required tax returns for a cannabis business;

43.20 (11) have paid and remitted any business taxes, gross receipts taxes, interest, or penalties
43.21 due relating to the operation of a cannabis business;

43.22 (12) have fully and truthfully complied with all information requests of the office relating
43.23 to license application and renewal;

43.24 (13) not be disqualified under subdivision 2;

43.25 (14) not employ an individual who is disqualified from working for a cannabis business
43.26 under this chapter; and

43.27 (15) meet the ownership and operational requirements for the type of license and, if
43.28 applicable, endorsement sought or held.

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

44.1 Sec. 20. **[342.21] CANNABIS BUSINESS; GENERAL OPERATIONAL**
44.2 **REQUIREMENTS AND PROHIBITIONS.**

44.3 Subdivision 1. **Individuals under 21 years of age.** (a) A cannabis business may not
44.4 employ an individual under 21 years of age and may not contract with an individual under
44.5 21 years of age if the individual's scope of work involves the handling of cannabis plants,
44.6 cannabis flower, artificially derived cannabinoids, or cannabinoid products.

44.7 (b) A cannabis business may not permit an individual under 21 years of age to enter the
44.8 business premises other than entry into an area that solely dispenses medical cannabis flower
44.9 or medical cannabinoid products.

44.10 (c) A cannabis business may not sell or give cannabis flower or cannabinoid products
44.11 to an individual under 21 years of age unless the individual is a patient; registered designated
44.12 caregiver; or a parent, legal guardian, or spouse of a patient who is authorized to use, possess,
44.13 or transport medical cannabis or medical cannabinoid products.

44.14 Subd. 2. **Use of cannabis flower and cannabinoid products within a licensed cannabis**
44.15 **business.** (a) A cannabis business may not permit an individual who is not an employee to
44.16 consume cannabis flower or cannabinoid products within its licensed premises unless the
44.17 business is licensed to permit on-site consumption or the business has an on-site endorsement
44.18 to a license authorizing the sale of lower potency edible products.

44.19 (b) Except as otherwise provided in this subdivision, a cannabis business may not permit
44.20 an employee to consume cannabis flower or cannabinoid products within its licensed premises
44.21 or while the employee is otherwise engaged in activities within the course and scope of
44.22 employment.

44.23 (c) A cannabis business may permit an employee to use medical cannabis flower and
44.24 medical cannabinoid products if that individual is a patient.

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

44.30 Subd. 3. **Restricted access.** (a) Except as otherwise provided in this subdivision, a
44.31 cannabis business may not permit any individual to enter a restricted area unless the cannabis
44.32 business records the individual's name, time of entry, time of exit, and authorization to enter
44.33 the restricted area through use of an electronic or manual entry log and the individual:

45.1 (1) is a cannabis worker employed by or contracted with the cannabis business;

45.2 (2) is an employee of the office or another enforcement agency;

45.3 (3) is a contractor of the cannabis business, including but not limited to an electrician,
45.4 a plumber, an engineer, or an alarm technician, whose scope of work will not involve the
45.5 handling of cannabis flower or cannabinoid products and, if the individual is working in an
45.6 area with immediate access to cannabis flower or cannabinoid products, the individual is
45.7 supervised at all times by a cannabis worker employed by or contracted with the cannabis
45.8 business; or

45.9 (4) has explicit authorization from the office to enter a restricted area and, if the individual
45.10 is in an area with immediate access to cannabis flower or cannabinoid products, the individual
45.11 is supervised at all times by a cannabis worker employed by or contracted with the cannabis
45.12 business.

45.13 (b) A cannabis business shall ensure that all areas of entry to restricted areas within its
45.14 licensed premises are conspicuously marked and cannot be entered without recording the
45.15 individual's name, time of entry, time of exit, and authorization to enter the restricted area.

45.16 Subd. 4. **Ventilation and filtration.** A cannabis business must maintain a ventilation
45.17 and filtration system sufficient to meet the requirements for odor control established by the
45.18 office.

45.19 Subd. 5. **Records.** (a) A cannabis business must retain financial records for the current
45.20 and previous tax year at the primary business location and must make those records available
45.21 for inspection by the office at any time during regular business hours.

45.22 (b) When applicable, a cannabis business must maintain financial records for the previous
45.23 ten tax years and must make those records available for inspection within one business day
45.24 of receiving a request for inspection by the office.

45.25 (c) The office may require a cannabis business to submit to an audit of its business
45.26 records. The office may select or approve the auditor and the cannabis business must provide
45.27 the auditor with access to all business records. The cost of the audit must be paid by the
45.28 cannabis business.

45.29 Subd. 6. **Diversity report.** A cannabis business shall provide an annual report on the
45.30 status of diversity in the business ownership, management, and employment and in services
45.31 for which the business contracts.

45.32 Subd. 7. **Use of statewide monitoring system.** (a) A cannabis business must use the
45.33 statewide monitoring system for integrated cannabis tracking, inventory, and verification

46.1 to track all cannabis plants, cannabis flower, cannabinoid products, and artificially derived
46.2 cannabinoids the cannabis business has in its possession to the point of disposal, transfer,
46.3 or sale.

46.4 (b) For the purposes of this subdivision, a cannabis business possesses the cannabis
46.5 plants and cannabis flower that the business cultivates from seed or immature plant, if
46.6 applicable, or receives from another cannabis business, possesses the artificially derived
46.7 cannabinoids that the business creates or receives from another cannabis business, and
46.8 possesses the cannabinoid products that the business manufactures or receives from another
46.9 cannabis business.

46.10 (c) Sale and transfer of cannabis plants, cannabis flower, cannabinoid products, and
46.11 artificially derived cannabinoids must be recorded in the statewide monitoring system within
46.12 the time established by rule.

46.13 Subd. 8. **Disposal; loss documentation.** (a) A cannabis business must dispose of cannabis
46.14 plants, cannabis flower, cannabinoid products, and artificially derived cannabinoids that
46.15 are damaged, have a broken seal, have been contaminated, or have not been sold by the
46.16 expiration date on the label.

46.17 (b) Disposal must be conducted in a manner approved by the office.

46.18 (c) Disposed products must be documented in the statewide monitoring system.

46.19 (d) Any lost or stolen products must be reported to local law enforcement and a cannabis
46.20 business must log any lost or stolen products in the statewide monitoring system as soon
46.21 as the loss is discovered.

46.22 Subd. 9. **Sale of approved products.** A cannabis business may only sell cannabis plants,
46.23 cannabis flower, cannabinoid products, and artificially derived cannabinoids that are approved
46.24 by the office and that comply with this chapter and rules adopted pursuant to this chapter
46.25 regarding the testing, packaging, and labeling of cannabis plants, cannabis flower,
46.26 cannabinoid products, and artificially derived cannabinoids.

46.27 Subd. 10. **Security.** A cannabis business must maintain and follow a security plan to
46.28 deter and prevent the theft or diversion of cannabis plants, cannabis flower, cannabinoid
46.29 products, and artificially derived cannabinoids, unauthorized entry into the cannabis business,
46.30 and the theft of currency.

46.31 Subd. 11. **Financial relationship.** (a) Except for the lawful sale of cannabis plants,
46.32 cannabis flower, cannabinoid products, and artificially derived cannabinoids in the ordinary
46.33 course of business and as otherwise provided in this subdivision, no cannabis business may

47.1 offer, give, accept, receive, or borrow money or anything else of value or accept or receive
 47.2 credit from any other cannabis business. This prohibition applies to offering or receiving a
 47.3 benefit in exchange for preferential placement by a cannabis retailer, including preferential
 47.4 placement on the cannabis retailer's shelves, display cases, or website. This prohibition
 47.5 applies to every cooperative member or every director, manager, and general partner of a
 47.6 cannabis business.

47.7 (b) This prohibition does not apply to merchandising credit in the ordinary course of
 47.8 business for a period not to exceed 30 days.

47.9 (c) This prohibition does not apply to free samples of useable cannabis flower or
 47.10 cannabinoid products packaged in a sample jar protected by a plastic or metal mesh screen
 47.11 to allow customers to smell the cannabis flower or cannabinoid product before purchase.
 47.12 A sample jar may not contain more than eight grams of useable cannabis flower, eight grams
 47.13 of a cannabis concentrate, or an edible cannabinoid product infused with 100 milligrams of
 47.14 tetrahydrocannabinol.

47.15 (d) This prohibition does not apply to free samples of cannabis flower or cannabinoid
 47.16 products provided to a cannabis retailer or cannabis wholesaler for the purposes of quality
 47.17 control and to allow cannabis retailers to determine whether to offer a product for sale. A
 47.18 sample provided for these purposes may not contain more than eight grams of useable
 47.19 cannabis flower, eight grams of a cannabis concentrate, or an edible cannabinoid product
 47.20 infused with 100 milligrams of tetrahydrocannabinol.

47.21 (e) This prohibition does not apply to any fee charged by a licensed cannabis event
 47.22 organizer to a cannabis business for participation in a cannabis event.

47.23 Subd. 12. **Customer privacy.** A cannabis business must not share data on retail or
 47.24 wholesale customers with any federal agency, federal department, or federal entity unless
 47.25 specifically ordered by a state or federal court.

47.26 Sec. 21. **[342.22] CANNABIS CULTIVATOR LICENSING.**

47.27 Subdivision 1. **Authorized actions.** (a) A cannabis cultivator license entitles the license
 47.28 holder to grow cannabis plants within the approved amount of space from seed or immature
 47.29 plant to mature plant, harvest cannabis flower from a mature plant, package and label
 47.30 cannabis flower for sale to other cannabis businesses, transport cannabis flower to a cannabis
 47.31 manufacturer located on the same premises, and perform other actions approved by the
 47.32 office.

47.33 (b) The office may issue an applicant either of the following types of cultivator licenses:

48.1 (1) a craft cultivator license, which allows cultivation by a license holder of not more
48.2 than 10,000 feet of plant canopy unless the office, by rule, increases that limit; or

48.3 (2) a bulk cultivator license, which allows cultivation by a license holder of not more
48.4 than 30,000 feet of plant canopy.

48.5 (c) The office may, by rule, increase the limit on craft cultivator plant canopy to no more
48.6 than 15,000 square feet if the office determines that expansion is consistent with the goals
48.7 identified in section 342.02, subdivision 1.

48.8 Subd. 2. **Additional information required.** In addition to the information required to
48.9 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
48.10 a person, cooperative, or business seeking a cannabis cultivator license must submit the
48.11 following information in a form approved by the office:

48.12 (1) an operating plan demonstrating the proposed size and layout of the cultivation
48.13 facility; plans for wastewater and waste disposal for the cultivation facility; plans for
48.14 providing electricity, water, and other utilities necessary for the normal operation of the
48.15 cultivation facility; and plans for compliance with the applicable building code and federal
48.16 and state environmental and workplace safety requirements;

48.17 (2) a cultivation plan demonstrating the proposed size and layout of the cultivation
48.18 facility that will be used exclusively for cultivation including the total amount of plant
48.19 canopy; and

48.20 (3) evidence that the business will comply with the applicable operation requirements
48.21 for the license being sought.

48.22 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
48.23 cannabis cultivator license may also hold a cannabis manufacturing license, medical cannabis
48.24 cultivator license, medical cannabis manufacturing license, license to grow industrial hemp,
48.25 and cannabis event organizer license.

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

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

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

49.4 Subd. 4. **Limitations on health care practitioners.** A health care practitioner who
 49.5 certifies qualifying medical conditions for patients is prohibited from:

49.6 (1) holding a direct or indirect economic interest in a cannabis cultivator;

49.7 (2) serving as a cooperative member, director, manager, general partner, or employee
 49.8 of a cannabis cultivator; or

49.9 (3) advertising with a cannabis cultivator in any way.

49.10 Subd. 5. **Remuneration.** A cannabis cultivator is prohibited from:

49.11 (1) accepting or soliciting any form of remuneration from a health care practitioner who
 49.12 certifies qualifying medical conditions for patients; or

49.13 (2) offering any form of remuneration to a health care practitioner who certifies qualifying
 49.14 medical conditions for patients.

49.15 Sec. 22. **[342.23] CANNABIS CULTIVATOR OPERATIONS.**

49.16 Subdivision 1. **Cultivation records.** A cannabis cultivator must prepare a cultivation
 49.17 record for each batch of cannabis plants and cannabis flower in the form required by the
 49.18 office and must maintain each record for at least five years. The cultivation record must
 49.19 include the quantity and timing, where applicable, of each pesticide, fertilizer, soil
 49.20 amendment, or plant amendment used to cultivate the batch, as well as any other information
 49.21 required by the office in rule. A licensed cultivator must present cultivation records to the
 49.22 office, the commissioner of agriculture, or the commissioner of health upon request.

49.23 Subd. 2. **Agricultural chemicals and other inputs.** A cannabis cultivator is subject to
 49.24 rules promulgated by the office governing the use of pesticides, fertilizers, soil amendments,
 49.25 plant amendments, and other inputs to cultivate cannabis.

49.26 Subd. 3. **Cultivation plan.** A cannabis cultivator must prepare, maintain, and execute
 49.27 an operating plan and a cultivation plan as directed by the office in rule, which must include
 49.28 but is not limited to:

49.29 (1) water usage;

49.30 (2) recycling;

49.31 (3) solid waste disposal; and

50.1 (4) a pest management protocol that incorporates integrated pest management principles
50.2 to control or prevent the introduction of pests to the cultivation site.

50.3 Subd. 4. **Pesticides; pollinator protection.** (a) A cannabis cultivator must comply with
50.4 chapters 18B, 18D, 18E, and any other pesticide laws and rules enforced by the commissioner
50.5 of agriculture.

50.6 (b) A cannabis cultivator must not apply pesticides when pollinators are present or allow
50.7 pesticides to drift to flowering plants that are attractive to pollinators.

50.8 Subd. 5. **Adulteration prohibited.** A cannabis cultivator must not treat or otherwise
50.9 adulterate cannabis plants or cannabis flower with any substance or compound that has the
50.10 effect or intent of altering the color, appearance, weight, or smell of the cannabis.

50.11 Subd. 6. **Indoor, outdoor cultivation authorized; security.** A cannabis cultivator may
50.12 cultivate cannabis plants indoors or outdoors, subject to the security, fencing, lighting, and
50.13 any other requirements imposed by the office in rule.

50.14 Subd. 7. **Seed limitation.** The commissioner of agriculture must not issue a genetically
50.15 engineered agriculturally related organism permit under chapter 18F for cannabis seed or
50.16 cannabis plants. A cannabis cultivator must not cultivate a cannabis plant that is a genetically
50.17 engineered organism as defined in section 18F.02, subdivision 5.

50.18 Sec. 23. **[342.24] CANNABIS MANUFACTURER LICENSING.**

50.19 Subdivision 1. **Authorized actions.** A cannabis manufacturer license, consistent with
50.20 the specific license endorsement or endorsements, entitles the license holder to:

50.21 (1) purchase cannabis flower, cannabinoid products, hemp plant parts, hemp concentrate,
50.22 and artificially derived cannabinoids from cannabis cultivators, other cannabis manufacturers,
50.23 cannabis microbusinesses, and industrial hemp growers;

50.24 (2) accept cannabis from unlicensed persons who are at least 21 years of age provided
50.25 that the cannabis manufacturer does not accept more than two ounces from an individual
50.26 on a single occasion;

50.27 (3) make cannabis concentrate;

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

50.30 (5) manufacture artificially derived cannabinoids;

51.1 (6) manufacture cannabinoid products and hemp-derived consumer products for public
51.2 consumption;

51.3 (7) package and label cannabinoid products and hemp-derived consumer products for
51.4 sale to other cannabis businesses;

51.5 (8) sell cannabis concentrate, hemp concentrate, artificially derived cannabinoids,
51.6 cannabinoid products, and hemp-derived consumer products to other cannabis businesses;
51.7 and

51.8 (9) perform other actions approved by the office.

51.9 Subd. 2. **Additional information required.** In addition to the information required to
51.10 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
51.11 a person, cooperative, or business seeking a cannabis manufacturer license must submit the
51.12 following information in a form approved by the office:

51.13 (1) an operating plan demonstrating the proposed layout of the facility, including a
51.14 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
51.15 the manufacturing facility; plans for providing electricity, water, and other utilities necessary
51.16 for the normal operation of the manufacturing facility; and plans for compliance with
51.17 applicable building code and federal and state environmental and workplace safety
51.18 requirements; and

51.19 (2) evidence that the business will comply with the applicable operation requirements
51.20 for the endorsement being sought.

51.21 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
51.22 cannabis manufacturer license may also hold a cannabis cultivator license, a medical cannabis
51.23 cultivator license, a medical cannabis processor license, and a cannabis event organizer
51.24 license.

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

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

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

52.4 Subd. 4. **Limitations on health care practitioners.** A health care practitioner who
 52.5 certifies qualifying medical conditions for patients is prohibited from:

52.6 (1) holding a direct or indirect economic interest in a cannabis manufacturer;

52.7 (2) serving as a cooperative member, director, manager, general partner, or employee
 52.8 of a cannabis manufacturer; or

52.9 (3) advertising with a cannabis manufacturer in any way.

52.10 Subd. 5. **Remuneration.** A cannabis manufacturer is prohibited from:

52.11 (1) accepting or soliciting any form of remuneration from a health care practitioner who
 52.12 certifies qualifying medical conditions for patients; or

52.13 (2) offering any form of remuneration to a health care practitioner who certifies qualifying
 52.14 medical conditions for patients.

52.15 Sec. 24. **[342.25] CANNABIS MANUFACTURER OPERATIONS.**

52.16 Subdivision 1. **All manufacturer operations.** (a) Cannabis manufacturing must take
 52.17 place in an enclosed, locked facility that is used exclusively for the manufacture of
 52.18 cannabinoid products, creation of hemp concentrate, or creation of artificially derived
 52.19 cannabinoids except that a business that also holds a cannabis cultivator license may operate
 52.20 in a facility that shares general office space, bathrooms, entryways, and walkways.

52.21 (b) Cannabis manufacturing must take place on equipment that is used exclusively for
 52.22 the manufacture of cannabinoid products, creation of hemp concentrate, or creation of
 52.23 artificially derived cannabinoids.

52.24 (c) A cannabis manufacturer must comply with all applicable packaging, labeling, and
 52.25 health and safety requirements.

52.26 Subd. 2. **Extraction and concentration.** (a) A cannabis manufacturer that creates
 52.27 cannabis concentrate, hemp concentrate, or artificially derived cannabinoids must obtain
 52.28 an endorsement from the office.

52.29 (b) A cannabis manufacturer must inform the office of all methods of extraction and
 52.30 concentration that the manufacturer intends to use and identify the volatile chemicals, if
 52.31 any, that will be involved in the creation of cannabis concentrate or hemp concentrate. A

53.1 cannabis manufacturer may not use a method of extraction and concentration or a volatile
53.2 chemical without approval by the office.

53.3 (c) A cannabis manufacturer must inform the office of all methods of conversion that
53.4 the manufacturer will use, including any specific catalysts that the manufacturer will employ,
53.5 to create artificially derived cannabinoids and the molecular nomenclature of all cannabinoids
53.6 or other chemical compound that the manufacturer will create. A cannabis manufacturer
53.7 may not use a method of conversion or a catalyst without approval by the office.

53.8 (d) A cannabis manufacturer must obtain a certification from an independent third-party
53.9 industrial hygienist or professional engineer approving:

53.10 (1) all electrical, gas, fire suppression, and exhaust systems; and

53.11 (2) the plan for safe storage and disposal of hazardous substances, including but not
53.12 limited to any volatile chemicals.

53.13 (e) A cannabis manufacturer that manufactures cannabis concentrate from cannabis
53.14 flower received from an unlicensed person who is at least 21 years of age must comply with
53.15 all health and safety requirements established by the office. At a minimum, the office shall
53.16 require a cannabis manufacturer to:

53.17 (1) store the cannabis flower in an area that is segregated from cannabis flower and hemp
53.18 plant parts received from a licensed cannabis business;

53.19 (2) perform the extraction and concentration on equipment that is used exclusively for
53.20 extraction or concentration of cannabis flower received from unlicensed individuals;

53.21 (3) store any cannabis concentrate in an area that is segregated from cannabis concentrate,
53.22 hemp concentrate, or artificially derived cannabinoids derived or manufactured from cannabis
53.23 flower or hemp plant parts received from a licensed cannabis business; and

53.24 (4) provide any cannabis concentrate only to the person who provided the cannabis.

53.25 (f) Upon the sale of cannabis concentrate, hemp concentrate, or artificially derived
53.26 cannabinoids to any person, cooperative, or business, a cannabis manufacturer must provide
53.27 a statement to the buyer that discloses the method of extraction and concentration or
53.28 conversion used and any solvents, gases, or catalysts, including but not limited to any volatile
53.29 chemicals, involved in that method.

53.30 **Subd. 3. Production of consumer products.** (a) A cannabis manufacturer that produces
53.31 edible cannabinoid products must obtain an edible cannabinoid product handler endorsement
53.32 from the office.

54.1 (b) A cannabis manufacturer must obtain an endorsement from the office to produce:

54.2 (1) cannabinoid products other than edible cannabinoid products; or

54.3 (2) hemp-derived consumer products other than hemp-derived topical products.

54.4 (c) All areas within the licensed premises of a cannabis manufacturer producing
 54.5 cannabinoid products or hemp-derived consumer products must meet the sanitary standards
 54.6 specified in rules adopted by the office.

54.7 (d) A cannabis manufacturer may only add chemicals or compounds approved by the
 54.8 office to cannabis concentrate, hemp concentrate, or artificially derived cannabinoids.

54.9 (e) Upon the sale of any cannabinoid product or hemp-derived consumer product to a
 54.10 cannabis business, a cannabis manufacturer must provide a statement to the buyer that
 54.11 discloses the product's ingredients, including but not limited to any chemicals or compounds
 54.12 and any major food allergens declared by name.

54.13 (f) A cannabis manufacturer shall not add any cannabis flower, cannabis concentrate,
 54.14 artificially derived cannabinoid, hemp plant part, or hemp concentrate to a product where
 54.15 the manufacturer of the product holds a trademark to the product's name, except that a
 54.16 cannabis manufacturer may use a trademarked food product if the manufacturer uses the
 54.17 product as a component or as part of a recipe and where the cannabis manufacturer does
 54.18 not state or advertise to the customer that the final retail cannabinoid product or hemp-derived
 54.19 consumer product contains a trademarked food product.

54.20 **Sec. 25. [342.26] CANNABIS RETAILER LICENSING.**

54.21 Subdivision 1. **Authorized actions.** A cannabis retailer license entitles the license holder
 54.22 to:

54.23 (1) purchase immature cannabis plants and seedlings, cannabis flower, cannabinoid
 54.24 products, and hemp-derived consumer products from cannabis cultivators, cannabis
 54.25 manufacturers, cannabis microbusinesses, cannabis wholesalers, and industrial hemp growers;

54.26 (2) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
 54.27 cannabinoid products, hemp-derived consumer products, and other products authorized by
 54.28 law to customers; and

54.29 (3) perform other actions approved by the office.

54.30 Subd. 2. **Additional information required.** In addition to the information required to
 54.31 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,

55.1 a person, cooperative, or business seeking a cannabis retail license must submit the following
55.2 information in a form approved by the office:

55.3 (1) a list of every retail license held by the applicant and, if the applicant is a business,
55.4 every retail license held, either as an individual or as part of another business, by each
55.5 officer, director, manager, and general partner of the cannabis business;

55.6 (2) an operating plan demonstrating the proposed layout of the facility, including a
55.7 diagram of ventilation and filtration systems; policies to avoid sales to individuals who are
55.8 under 21 years of age; identification of a restricted area for storage; and plans to prevent
55.9 the visibility of cannabis flower, cannabinoid products, and hemp-derived consumer products
55.10 to individuals outside the retail location; and

55.11 (3) evidence that the business will comply with the applicable operation requirements
55.12 for the license being sought.

55.13 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
55.14 cannabis retailer license may also hold a cannabis delivery service license, a medical cannabis
55.15 retailer license, and a cannabis event organizer license.

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

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

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

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

55.25 Subd. 4. **Municipal or county cannabis store.** A city or county may establish, own,
55.26 and operate a municipal cannabis store subject to the restrictions in this chapter.

55.27 Subd. 5. **Limitations on health care practitioners.** A health care practitioner who
55.28 certifies qualifying medical conditions for patients is prohibited from:

55.29 (1) holding a direct or indirect economic interest in a cannabis retailer;

55.30 (2) serving as a cooperative member, director, manager, general partner, or employee
55.31 of a cannabis retailer; or

55.32 (3) advertising with a cannabis retailer in any way.

56.1 Subd. 6. Remuneration. A cannabis retailer is prohibited from:

56.2 (1) accepting or soliciting any form of remuneration from a health care practitioner who
56.3 certifies qualifying medical conditions for patients; or

56.4 (2) offering any form of remuneration to a health care practitioner who certifies qualifying
56.5 medical conditions for patients.

56.6 Sec. 26. [342.27] CANNABIS RETAILER OPERATIONS.

56.7 Subdivision 1. Sale of cannabis and cannabinoid products. (a) A cannabis retailer
56.8 may only sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
56.9 cannabinoid products, and hemp-derived consumer products to individuals who are at least
56.10 21 years of age.

56.11 (b) A cannabis retailer may sell immature cannabis plants and seedlings, adult-use
56.12 cannabis flower, adult-use cannabinoid products, and hemp-derived consumer products
56.13 other than hemp-derived topical products that:

56.14 (1) are obtained from a licensed Minnesota cannabis cultivator, cannabis manufacturer,
56.15 cannabis microbusiness, or cannabis wholesaler; and

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

56.17 (c) A cannabis retailer may sell up to two ounces of adult-use cannabis flower, eight
56.18 grams of adult-use cannabis concentrate, and edible cannabinoid products infused with 800
56.19 milligrams of tetrahydrocannabinol during a single transaction to a customer.

56.20 (d) Edible cannabinoid products may not include more than ten milligrams per serving
56.21 and a single package may not include more than a total of 100 milligrams of
56.22 tetrahydrocannabinol. A package may contain multiple servings of ten milligrams of
56.23 tetrahydrocannabinol provided that each serving is indicated by scoring, wrapping, or other
56.24 indicators designating the individual serving size.

56.25 Subd. 2. Sale of other products. (a) A cannabis retailer may sell cannabis paraphernalia,
56.26 including but not limited to childproof packaging containers and other devices designed to
56.27 ensure the safe storage and monitoring of cannabis flower and cannabinoid products in the
56.28 home to prevent access by individuals under 21 years of age.

56.29 (b) A cannabis retailer may sell hemp-derived topical products.

56.30 (c) A cannabis retailer may sell the following products that do not contain cannabis
56.31 flower, cannabis concentrate, hemp concentrate, artificially derived cannabinoids, or
56.32 tetrahydrocannabinol:

57.1 (1) drinks that do not contain alcohol and are packaged in sealed containers labeled for
 57.2 retail sale;

57.3 (2) books and videos on the cultivation and use of cannabis flower and cannabinoid
 57.4 products;

57.5 (3) magazines and other publications published primarily for information and education
 57.6 on cannabis plants, cannabis flower, and cannabinoid products;

57.7 (4) multiple-use bags designed to carry purchased items;

57.8 (5) clothing marked with the specific name, brand, or identifying logo of the cannabis
 57.9 retailer; and

57.10 (6) hemp fiber products and products that contain hemp grain.

57.11 Subd. 3. **Age verification.** (a) Prior to initiating a sale, an employee of a cannabis retailer
 57.12 must verify that the customer is at least 21 years of age.

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

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

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

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

57.18 (4) a valid instructional permit issued under section 171.05 to a person of legal age to
 57.19 purchase adult-use cannabis or adult-use cannabinoid products, which includes a photograph
 57.20 and the date of birth of the person issued the permit; or

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

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

57.27 Subd. 4. **Display of cannabis flower and cannabinoid products.** (a) A cannabis retailer
 57.28 must designate a retail area where customers are permitted. The retail area shall include the
 57.29 portion of the premises where samples of cannabis flower and cannabinoid products available
 57.30 for sale are displayed. All other cannabis flower and cannabinoid products must be stored
 57.31 in the secure storage area.

58.1 (b) A cannabis retailer may display one sample of each type of cannabis flower or
 58.2 cannabinoid product available for sale. Samples of cannabis flower and cannabinoid products
 58.3 must be stored in a sample jar or display case and be accompanied by a label or notice
 58.4 containing the information required to be affixed to the packaging or container containing
 58.5 cannabis flower and cannabinoid products sold to customers. A sample may not consist of
 58.6 more than eight grams of adult-use cannabis flower or adult-use cannabis concentrate or an
 58.7 edible cannabinoid product infused with more than 100 milligrams of tetrahydrocannabinol.
 58.8 A cannabis retailer may allow customers to smell the cannabis flower or cannabinoid product
 58.9 before purchase.

58.10 (c) A cannabis retailer may not sell cannabis flower or cannabinoid products used as a
 58.11 sample for display.

58.12 Subd. 5. **Posting of notices.** A cannabis retailer must post all notices as required by the
 58.13 office, including but not limited to:

58.14 (1) information about any product recall;

58.15 (2) a statement that operating a motor vehicle under the influence of intoxicating
 58.16 cannabinoids is illegal; and

58.17 (3) a statement that cannabis flower, cannabinoid products, and hemp-derived consumer
 58.18 products are only intended for consumption by individuals who are at least 21 years of age.

58.19 Subd. 6. **Hours of operation.** (a) Except as provided by paragraph (b), a cannabis retailer
 58.20 may not sell cannabis flower, cannabinoid products, or hemp-derived consumer products
 58.21 between 2:00 a.m. and 8:00 a.m. on the days of Monday through Saturday, nor between
 58.22 2:00 a.m. and 10:00 a.m. on Sunday.

58.23 (b) A city or county may adopt an ordinance to permit sales between 2:00 a.m. and 8:00
 58.24 a.m. on the days of Monday through Saturday, or between 2:00 a.m. and 10:00 a.m. on
 58.25 Sunday.

58.26 Subd. 7. **Building conditions.** (a) A cannabis retailer shall maintain compliance with
 58.27 state and local building, fire, and zoning requirements or regulations.

58.28 (b) A cannabis retailer shall ensure that the licensed premises is maintained in a clean
 58.29 and sanitary condition, free from infestation by insects, rodents, or other pests.

58.30 Subd. 8. **Security.** A cannabis retailer shall maintain compliance with security
 58.31 requirements established by the office including but not limited to requirements for
 58.32 maintaining video surveillance records, use of specific locking mechanisms, establishment
 58.33 of secure entries, and the number of employees working at all times.

59.1 Subd. 9. **Lighting.** A cannabis retailer must keep all lighting outside and inside the
59.2 dispensary in good working order and wattage sufficient for security cameras.

59.3 Subd. 10. **Deliveries.** Cannabis retailers may only accept deliveries of cannabis flower,
59.4 cannabinoid products, and hemp-derived consumer products into a limited access area.
59.5 Deliveries may not be accepted through the public access areas unless otherwise approved
59.6 by the office.

59.7 Subd. 11. **Prohibitions.** A cannabis retailer shall not:

59.8 (1) sell cannabis flower or cannabinoid products to a person who is visibly intoxicated;

59.9 (2) knowingly sell more cannabis flower or cannabinoid products than a customer is
59.10 legally permitted to possess;

59.11 (3) give away immature cannabis plants or seedlings, cannabis flower, cannabinoid
59.12 products, or hemp-derived consumer products;

59.13 (4) operate a drive-through window;

59.14 (5) allow for the dispensing of cannabis plants, cannabis flower, cannabinoid products,
59.15 or hemp-derived consumer products in vending machines; or

59.16 (6) sell cannabis plants, cannabis flower, or cannabinoid products if the cannabis retailer
59.17 knows that any required security or statewide monitoring systems are not operational.

59.18 Subd. 12. **Retail location; physical separation required.** (a) A licensed cannabis retailer
59.19 that is also a licensed medical cannabis retailer may sell medical cannabis flower and medical
59.20 cannabinoid products on a portion of its premises.

59.21 (b) The portion of the premises in which medical cannabis flower and medical
59.22 cannabinoid products are sold must be definite and distinct from all other areas of the
59.23 cannabis retailer, must be accessed through a distinct entrance, and must provide an
59.24 appropriate space for a pharmacist employee of the medical cannabis retailer to consult with
59.25 the patient to determine the proper type of medical cannabis flower and medical cannabinoid
59.26 products and proper dosage for the patient.

59.27 Sec. 27. **[342.28] CANNABIS WHOLESALER LICENSING.**

59.28 Subdivision 1. **Authorized actions.** A cannabis wholesaler license entitles the license
59.29 holder to:

60.1 (1) purchase immature cannabis plants and seedlings, cannabis flower, cannabinoid
 60.2 products, and hemp-derived consumer products from cannabis cultivators, cannabis
 60.3 manufacturers, cannabis microbusinesses, and industrial hemp growers;

60.4 (2) sell immature cannabis plants and seedlings, cannabis flower, cannabinoid products,
 60.5 and hemp-derived consumer products to cannabis manufacturers and cannabis retailers;

60.6 (3) import hemp-derived consumer products and lower potency edible products that
 60.7 contain hemp concentrate or artificially derived cannabinoids that are derived from hemp
 60.8 plants or hemp plant parts; and

60.9 (4) perform other actions approved by the office.

60.10 Subd. 2. **Additional information required.** In addition to the information required to
 60.11 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
 60.12 a person, cooperative, or business seeking a cannabis wholesaler license must submit the
 60.13 following information in a form approved by the office:

60.14 (1) an operating plan demonstrating the proposed layout of the facility including a
 60.15 diagram of ventilation and filtration systems and policies to avoid sales to unlicensed
 60.16 cannabis businesses; and

60.17 (2) evidence that the business will comply with the applicable operation requirements
 60.18 for the license being sought.

60.19 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
 60.20 cannabis wholesaler license may also hold a cannabis transporter license, a cannabis delivery
 60.21 service license, and a cannabis event organizer license.

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

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

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

60.29 Sec. 28. [342.29] CANNABIS WHOLESALER OPERATIONS.

60.30 Subdivision 1. **Separation of products.** A cannabis wholesaler must ensure that cannabis
 60.31 plants, cannabis flower, and cannabinoid products are physically separated from all other

61.1 products, including hemp-derived consumer products, in a manner that prevents any
61.2 cross-contamination.

61.3 Subd. 2. **Records and labels.** A cannabis wholesaler must maintain accurate records
61.4 and ensure that appropriate labels remain affixed to cannabis plants, cannabis flower,
61.5 cannabinoid products, and hemp-derived consumer products.

61.6 Subd. 3. **Building conditions.** (a) A cannabis wholesaler shall maintain compliance
61.7 with state and local building, fire, and zoning requirements or regulations.

61.8 (b) A cannabis wholesaler shall ensure that the licensed premises is maintained in a
61.9 clean and sanitary condition, free from infestation by insects, rodents, or other pests.

61.10 Subd. 4. **Sale of other products.** A cannabis wholesaler may purchase and sell other
61.11 products or items for which the cannabis wholesaler has a license or authorization or that
61.12 do not require a license or authorization. Products for which no license or authorization is
61.13 required include but are not limited to industrial hemp products, products that contain hemp
61.14 grain, and cannabis paraphernalia, including but not limited to childproof packaging
61.15 containers and other devices designed to ensure the safe storage and monitoring of cannabis
61.16 flower and cannabinoid products in the home to prevent access by individuals under 21
61.17 years of age.

61.18 Subd. 5. **Importation of hemp-derived products.** (a) A cannabis wholesaler that imports
61.19 lower potency edible products or hemp-derived consumer products, other than hemp-derived
61.20 topical products, that are manufactured outside the boundaries of the state of Minnesota
61.21 with the intent to sell the products to a cannabis retailer or lower potency edible product
61.22 retailer must obtain a hemp-derived product importer endorsement from the office.

61.23 (b) A cannabis wholesaler with a hemp-derived product importer endorsement may sell
61.24 products manufactured outside the boundaries of the state of Minnesota if:

61.25 (1) the manufacturer is licensed in another jurisdiction and subject to regulations designed
61.26 to protect the health and safety of consumers that the office determines are substantially
61.27 similar to the regulations in this state; or

61.28 (2) the cannabis wholesaler establishes, to the satisfaction of the office, that the
61.29 manufacturer engages in practices that are substantially similar to the practices required for
61.30 licensure of manufacturers in this state.

61.31 (c) The cannabis wholesaler must enter all relevant information regarding an imported
61.32 product into the statewide monitoring system before the product may be distributed to a
61.33 licensed cannabis retailer or lower potency edible product retailer. Relevant information

62.1 includes information regarding the cultivation, processing, and testing of the industrial hemp
 62.2 used in the manufacture of the product and information regarding the testing of the lower
 62.3 potency edible product or hemp-derived consumer product. If information regarding the
 62.4 industrial hemp, lower potency edible product, or hemp-derived consumer product was
 62.5 submitted to a statewide monitoring system used in another state, the office may require
 62.6 submission of any information provided to that statewide monitoring system and shall assist
 62.7 in the transfer of data from another state as needed and in compliance with any data
 62.8 classification established by either state.

62.9 (d) The office may suspend, revoke, or cancel the endorsement of a distributor who is
 62.10 prohibited from distributing products containing cannabinoids in any other jurisdiction,
 62.11 convicted of an offense involving the distribution of products containing cannabinoids in
 62.12 any other jurisdiction, or found liable for distributing any product that injured customers in
 62.13 any other jurisdiction. A cannabis wholesaler shall disclose all relevant information related
 62.14 to actions in another jurisdiction. Failure to disclose relevant information may result in
 62.15 disciplinary action by the office, including the suspension, revocation, or cancellation of
 62.16 an endorsement or license.

62.17 (e) Notwithstanding any law to the contrary, it shall not be a defense in any civil or
 62.18 criminal action that a licensed wholesaler relied on information on a product label or
 62.19 otherwise provided by a manufacturer who is not licensed in this state.

62.20 **Sec. 29. [342.30] CANNABIS TRANSPORTER LICENSING.**

62.21 Subdivision 1. **Authorized actions.** A cannabis transporter license entitles the license
 62.22 holder to transport immature cannabis plants and seedlings, cannabis flower, cannabinoid
 62.23 products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, and
 62.24 hemp-derived consumer products from cannabis cultivators, cannabis manufacturers, cannabis
 62.25 wholesalers, cannabis microbusinesses, medical cannabis retailers, medical cannabis
 62.26 processors, and industrial hemp growers to cannabis manufacturers, cannabis testing facilities,
 62.27 cannabis wholesalers, cannabis retailers, lower potency edible product retailers, medical
 62.28 cannabis processors, and medical cannabis retailers and perform other actions approved by
 62.29 the office.

62.30 Subd. 2. **Additional information required.** In addition to the information required to
 62.31 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
 62.32 a person, cooperative, or business seeking a cannabis transporter license must submit the
 62.33 following information in a form approved by the office:

63.1 (1) an appropriate surety bond, certificate of insurance, qualifications as a self-insurer,
 63.2 or other securities or agreements, in the amount of not less than \$300,000, for loss of or
 63.3 damage to cargo;

63.4 (2) an appropriate surety bond, certificate of insurance, qualifications as a self-insurer,
 63.5 or other securities or agreements, in the amount of not less than \$1,000,000, for injury to
 63.6 one or more persons in any one accident and, if an accident has resulted in injury to or
 63.7 destruction of property, of not less than \$100,000 because of such injury to or destruction
 63.8 of property of others in any one accident;

63.9 (3) the number and type of equipment the business will use to transport cannabis flower
 63.10 and cannabinoid products;

63.11 (4) a loading, transporting, and unloading plan;

63.12 (5) a description of the applicant's experience in the distribution or security business;
 63.13 and

63.14 (6) evidence that the business will comply with the applicable operation requirements
 63.15 for the license being sought.

63.16 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
 63.17 cannabis transporter license may also hold a cannabis wholesaler license, a cannabis delivery
 63.18 service license, and a cannabis event organizer license.

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

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

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

63.26 Sec. 30. **[342.31] CANNABIS TRANSPORTER OPERATIONS.**

63.27 Subdivision 1. **Manifest required.** Before transporting cannabis plants and seedlings,
 63.28 cannabis flower, cannabinoid products, artificially derived cannabinoids, hemp plant parts,
 63.29 or hemp-derived consumer products, a cannabis transporter shall obtain a shipping manifest
 63.30 on a form established by the office. The manifest must be kept with the products at all times
 63.31 and the cannabis transporter must maintain a copy of the manifest in its records.

64.1 Subd. 2. **Records of transportation.** Records of transportation must be kept for a
64.2 minimum of three years at the cannabis transporter's place of business and are subject to
64.3 inspection upon request by the office or law enforcement agency. Records of transportation
64.4 include the following:

64.5 (1) copies of transportation manifests for all deliveries;

64.6 (2) a transportation log documenting the chain of custody for each delivery, including
64.7 every employee and vehicle used during transportation; and

64.8 (3) financial records showing payment for transportation services.

64.9 Subd. 3. **Storage compartment.** Cannabis plants and seedlings, cannabis flower,
64.10 cannabinoid products, artificially derived cannabinoids, hemp plant parts, and hemp-derived
64.11 consumer products must be transported in a locked, safe, and secure storage compartment
64.12 that is part of the motor vehicle or in a locked storage container that has a separate key or
64.13 combination pad. Cannabis plants and seedlings, cannabis flower, cannabinoid products,
64.14 artificially derived cannabinoids, hemp plant parts, and hemp-derived consumer products
64.15 may not be visible from outside the motor vehicle.

64.16 Subd. 4. **Identifying logos or business names prohibited.** No vehicle or trailer may
64.17 contain an image depicting the types of items being transported, including but not limited
64.18 to an image depicting a cannabis or hemp leaf, or a name suggesting that the vehicle is used
64.19 in transporting cannabis plants and seedlings, cannabis flower, cannabinoid products,
64.20 artificially derived cannabinoids, hemp plant parts, or hemp-derived consumer products.

64.21 Subd. 5. **Randomized deliveries.** A cannabis transporter shall ensure that all delivery
64.22 times and routes are randomized.

64.23 Subd. 6. **Multiple employees.** All cannabis transporter vehicles transporting cannabis
64.24 plants and seedlings, cannabis flower, cannabinoid products, artificially derived cannabinoids,
64.25 hemp plant parts, or hemp-derived consumer products must be staffed with a minimum of
64.26 two employees. At least one delivery team member shall remain with the motor vehicle at
64.27 all times that the motor vehicle contains cannabis plants and seedlings, cannabis flower,
64.28 cannabinoid products, artificially derived cannabinoids, hemp plant parts, or hemp-derived
64.29 consumer products.

64.30 Subd. 7. **Nonemployee passengers prohibited.** Only a cannabis worker employed by
64.31 or contracted with the cannabis transporter and who is at least 21 years of age may transport
64.32 cannabis plants and seedlings, cannabis flower, cannabinoid products, artificially derived

65.1 cannabinoids, hemp plant parts, or hemp-derived consumer products. All passengers in a
65.2 vehicle must be cannabis workers employed by or contracted with the cannabis transporter.

65.3 Subd. 8. **Drivers license required.** All drivers must carry a valid driver's license with
65.4 the proper endorsements when operating a vehicle transporting cannabis plants and seedlings,
65.5 cannabis flower, or cannabinoid products.

65.6 Subd. 9. **Vehicles subject to inspection.** Any vehicle assigned for the purposes of
65.7 transporting cannabis plants and seedlings is subject to inspection and may be stopped or
65.8 inspected at any licensed cannabis business or while en route during transportation.

65.9 Sec. 31. **[342.32] CANNABIS TESTING FACILITY LICENSING.**

65.10 Subdivision 1. **Authorized actions.** A cannabis testing facility license entitles the license
65.11 holder to obtain and test immature cannabis plants and seedlings, cannabis flower,
65.12 cannabinoid products, hemp plant parts, hemp concentrate, artificially derived cannabinoids,
65.13 and hemp-derived consumer products from cannabis cultivators, cannabis manufacturers,
65.14 cannabis wholesalers, cannabis microbusinesses, medical cannabis cultivators, medical
65.15 cannabis processors, and industrial hemp growers.

65.16 Subd. 2. **Additional information required.** In addition to the information required to
65.17 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
65.18 a person, cooperative, or business seeking a cannabis testing facility license must submit
65.19 the following information in a form approved by the office:

65.20 (1) an operating plan demonstrating the proposed layout of the facility, including a
65.21 diagram of ventilation and filtration systems and policies to avoid sales to unlicensed
65.22 businesses;

65.23 (2) proof of accreditation by a laboratory accrediting organization approved by the office
65.24 that, at a minimum, requires a laboratory to operate formal management systems under the
65.25 International Organization for Standardization; and

65.26 (3) evidence that the business will comply with the applicable operation requirements
65.27 for the license being sought.

65.28 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
65.29 cannabis testing facility license may not own or operate, or be employed by, any other
65.30 cannabis business.

65.31 (b) The office by rule may limit the number of cannabis testing facility licenses a person
65.32 or business may hold.

66.1 (c) For purposes of this subdivision, a restriction on the number of licenses a business
66.2 may hold applies to every cooperative member or every director, manager, and general
66.3 partner of a cannabis business.

66.4 Sec. 32. **[342.33] CANNABIS TESTING FACILITY OPERATIONS.**

66.5 Subdivision 1. **Testing services.** A cannabis testing facility shall provide some or all
66.6 testing services required under section 342.60 and rules adopted pursuant to that section.

66.7 Subd. 2. **Testing protocols.** A cannabis testing facility shall follow all testing protocols,
66.8 standards, and criteria adopted by rule by the office for the testing of different forms of
66.9 cannabis flower and cannabinoid products; determining batch size; sampling; testing validity;
66.10 and approval and disapproval of tested cannabis plants and seedlings, cannabis flower,
66.11 cannabinoid products, hemp plant parts, hemp concentrate, artificially derived cannabinoids,
66.12 and hemp-derived consumer products.

66.13 Subd. 3. **Records.** Records of all business transactions and testing results; records
66.14 required to be maintained pursuant to any applicable standards for accreditation; and records
66.15 relevant to testing protocols, standards, and criteria adopted by the office must be kept for
66.16 a minimum of three years at the cannabis testing facility's place of business and are subject
66.17 to inspection upon request by the office or law enforcement agency.

66.18 Subd. 4. **Disposal of cannabis flower and cannabinoid products.** A testing facility
66.19 shall dispose of or destroy used, unused, and waste cannabis plants and seedlings, cannabis
66.20 flower, cannabinoid products, hemp plant parts, hemp concentrate, artificially derived
66.21 cannabinoids, and hemp-derived consumer products pursuant to rules adopted by the office.

66.22 Sec. 33. **[342.34] CANNABIS MICROBUSINESS LICENSING.**

66.23 Subdivision 1. **Authorized actions.** A cannabis microbusiness license, consistent with
66.24 the specific license endorsement or endorsements, entitles the license holder to perform any
66.25 or all of the following:

66.26 (1) grow cannabis plants from seed or immature plant to mature plant, harvest cannabis
66.27 flower from a mature plant and package and label cannabis flower for sale to other cannabis
66.28 businesses;

66.29 (2) create cannabis concentrate;

66.30 (3) manufacture cannabinoid products for public consumption;

67.1 (4) purchase cannabis concentrate and hemp concentrate from a cannabis manufacturer,
67.2 cannabis wholesaler, or licensed hemp grower for use in manufacturing cannabinoid products;

67.3 (5) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use
67.4 cannabinoid products, hemp-derived consumer products, and other products authorized by
67.5 law to customers;

67.6 (6) operate an establishment that permits on-site consumption of edible cannabinoid
67.7 products; and

67.8 (7) perform other actions approved by the office.

67.9 Subd. 2. **Additional information required.** In addition to the information required to
67.10 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
67.11 a person, cooperative, or business seeking a cannabis microbusiness license must submit
67.12 the following information in a form approved by the office:

67.13 (1) an operating plan demonstrating the proposed layout of the facility, including a
67.14 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
67.15 any cultivation or manufacturing activities; plans for providing electricity, water, and other
67.16 utilities necessary for the normal operation of any cultivation or manufacturing activities;
67.17 plans for compliance with applicable building code and federal and state environmental and
67.18 workplace safety requirements and policies; and plans to avoid sales to unlicensed cannabis
67.19 businesses and individuals under 21 years of age;

67.20 (2) if the applicant is seeking an endorsement to cultivate cannabis plants and harvest
67.21 cannabis flower, a cultivation plan demonstrating the proposed size and layout of the
67.22 cultivation facility that will be used exclusively for cultivation including the total amount
67.23 of plant canopy;

67.24 (3) if the applicant is seeking an endorsement to create cannabis concentrate, information
67.25 identifying all methods of extraction and concentration that the applicant intends to use and
67.26 the volatile chemicals, if any, that will be involved in extraction or concentration; and

67.27 (4) evidence that the applicant will comply with the applicable operation requirements
67.28 for the license being sought.

67.29 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
67.30 cannabis microbusiness license may also hold a cannabis event organizer license.

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

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

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

68.6 Sec. 34. **[342.35] CANNABIS MICROBUSINESS OPERATIONS.**

68.7 Subdivision 1. **Cultivation endorsement.** (a) A cannabis microbusiness that cultivates
68.8 cannabis plants and harvests cannabis flower must comply with the requirements in section
68.9 342.23.

68.10 (b) A cannabis microbusiness that cultivates cannabis may cultivate not more than 2,000
68.11 square feet of plant canopy unless the office, by rule, increases that limit. The office may,
68.12 by rule, increase the limit on plant canopy to no more than 5,000 square feet if the office
68.13 determines that expansion is consistent with the goals identified in section 342.02, subdivision
68.14 1.

68.15 Subd. 2. **Extraction and concentration endorsement.** A cannabis microbusiness that
68.16 creates cannabis concentrate must comply with the requirements in section 342.25,
68.17 subdivisions 1 and 2.

68.18 Subd. 3. **Production of customer products endorsement.** A cannabis microbusiness
68.19 that manufacturers edible cannabinoid products must comply with the requirements in
68.20 section 342.25, subdivisions 1 and 3.

68.21 Subd. 4. **Retail operations endorsement.** A cannabis microbusiness that operates a
68.22 retail location must comply with the requirements in section 342.27.

68.23 Subd. 5. **On-site consumption endorsement.** (a) A cannabis microbusiness may permit
68.24 on-site consumption of edible cannabinoid products on a portion of its premises.

68.25 (b) The portion of the premises in which on-site consumption is permitted must be
68.26 definite and distinct from all other areas of the microbusiness and must be accessed through
68.27 a distinct entrance.

68.28 (c) Edible cannabinoid products sold for on-site consumption must comply with this
68.29 chapter and rules adopted pursuant to this chapter regarding the testing, packaging, and
68.30 labeling of cannabinoid products.

69.1 (d) Edible cannabinoid products sold for on-site consumption must be served in the
69.2 required packaging, but may be removed from the products' packaging by customers and
69.3 consumed on site.

69.4 (e) Food and beverages not otherwise prohibited by this subdivision may be prepared
69.5 and sold on site provided that the cannabis microbusiness complies with all relevant state
69.6 and local laws, ordinances, licensing requirements, and zoning requirements.

69.7 (f) A cannabis microbusiness shall ensure that the display and consumption of any edible
69.8 cannabinoid product is not visible from outside of the licensed premises of the business.

69.9 (g) A cannabis microbusiness may offer recorded or live entertainment provided that
69.10 the cannabis microbusiness complies with all relevant state and local laws, ordinances,
69.11 licensing requirements, and zoning requirements.

69.12 (h) A cannabis microbusiness may not:

69.13 (1) sell edible cannabinoid products to an individual who is under 21 years of age;

69.14 (2) permit an individual who is under 21 years of age to enter the premises;

69.15 (3) sell more than one single serving of an edible cannabinoid product to a customer;

69.16 (4) sell an edible cannabinoid product to a person who is visibly intoxicated;

69.17 (5) sell or allow the sale or consumption of alcohol or tobacco on the premises;

69.18 (6) sell products that are intended to be eaten or consumed as a drink, other than packaged
69.19 and labeled edible cannabinoid products, that contain cannabis flower or hemp plant parts
69.20 or are infused with cannabis concentrate, hemp concentrate, or artificially derived
69.21 cannabinoids;

69.22 (7) permit edible cannabinoid products sold in the portion of the area designated for
69.23 on-site consumption to be removed from that area;

69.24 (8) permit adult-use cannabis flower, adult-use cannabinoid products, or tobacco to be
69.25 consumed through smoking or a vaporized delivery method on the premises; or

69.26 (9) distribute or allow free samples of adult-use cannabis flower, adult-use cannabinoid
69.27 products, or hemp-derived consumer products.

69.28 **Sec. 35. [342.36] CANNABIS EVENT ORGANIZER LICENSING.**

69.29 Subdivision 1. **Authorized actions.** A cannabis event organizer license entitles the
69.30 license holder to organize a temporary cannabis event lasting no more than four days.

70.1 Subd. 2. **Additional information required.** (a) In addition to the information required
70.2 to be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that
70.3 section, a person, cooperative, or business seeking a cannabis event organizer license must
70.4 submit the following information in a form approved by the office:

70.5 (1) the type and number of any other cannabis business license held by the applicant;

70.6 (2) the address and location where the temporary cannabis event will take place;

70.7 (3) the name of the temporary cannabis event;

70.8 (4) a diagram of the physical layout of the temporary cannabis event showing where the
70.9 event will take place on the grounds, all entrances and exits that will be used by participants
70.10 during the event, all cannabis consumption areas, all cannabis retail areas where cannabis
70.11 flower and cannabinoid products will be sold, the location where cannabis waste will be
70.12 stored, and any location where cannabis flower and cannabinoid products will be stored;

70.13 (5) a list of the name, number, and type of cannabis businesses that will sell cannabis
70.14 plants, adult-use cannabis flower, adult-use cannabinoid products, and hemp-derived
70.15 consumer products at the event, which may be supplemented or amended within 72 hours
70.16 of the time at which the cannabis event begins;

70.17 (6) the dates and hours during which the cannabis event will take place;

70.18 (7) proof of local approval for the cannabis event; and

70.19 (8) evidence that the business will comply with the applicable operation requirements
70.20 for the license being sought.

70.21 (b) A person, cooperative, or business seeking a cannabis event organizer license may
70.22 also disclose whether the person or any officer, director, manager, and general partner of a
70.23 cannabis business is serving or has previously served in the military.

70.24 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
70.25 cannabis event organizer license may not hold a cannabis testing facility license.

70.26 (b) The office by rule may limit the number of cannabis event licenses that a person or
70.27 business may hold.

70.28 (c) For purposes of this subdivision, restrictions on the number or type of license that a
70.29 business may hold apply to every cooperative member or every director, manager, and
70.30 general partner of a cannabis business.

71.1 Sec. 36. **[342.37] CANNABIS EVENT ORGANIZER OPERATIONS.**

71.2 **Subdivision 1. Local approval.** A cannabis event organizer must receive local approval,
71.3 including obtaining any necessary permits or licenses issued by a local unit of government,
71.4 before holding a cannabis event.

71.5 **Subd. 2. Charging fees.** (a) A cannabis event organizer may charge an entrance fee to
71.6 a cannabis event.

71.7 (b) A cannabis event organizer may charge a fee to a cannabis business in exchange for
71.8 space to display and sell cannabis flower and cannabinoid products. Any fee paid for
71.9 participation in a cannabis event shall not be based on or tied to the sale of cannabis plants,
71.10 adult-use cannabis flower, adult-use cannabinoid products, or hemp-derived consumer
71.11 products.

71.12 **Subd. 3. Security.** A cannabis event organizer must hire or contract for licensed security
71.13 personnel to provide security services at the cannabis event. All security personnel hired or
71.14 contracted for shall be at least 21 years of age and present on the licensed event premises
71.15 at all times that cannabinoid products are available for sale or consumption of adult-use
71.16 cannabis flower or adult-use cannabinoid products is allowed. The security personnel shall
71.17 not consume cannabis flower or cannabinoid products for at least 24 hours before the event
71.18 or during the event.

71.19 **Subd. 4. Limited access to event.** A cannabis event organizer shall ensure that access
71.20 to an event is limited to individuals who are at least 21 years of age. At or near each public
71.21 entrance to any area where the sale or consumption of adult-use cannabis flower or adult-use
71.22 cannabinoid products is allowed, a cannabis event organizer shall maintain a clearly visible
71.23 and legible sign consisting of the following statement: No persons under 21 allowed. The
71.24 lettering of the sign shall be not less than one inch in height.

71.25 **Subd. 5. Cannabis waste.** A cannabis event organizer shall ensure that all used, unused,
71.26 and waste cannabis plants, cannabis flower, cannabinoid products, and hemp-derived
71.27 consumer products that are not removed by a customer or cannabis business are disposed
71.28 of in a manner approved by the office.

71.29 **Subd. 6. Transportation of cannabis plants, flower, and products.** All transportation
71.30 of cannabis plants, adult-use cannabis flower, adult-use cannabinoid products, and
71.31 hemp-derived consumer products intended for display or sale and all cannabis plants,
71.32 adult-use cannabis flower, adult-use cannabinoid products, and hemp-derived consumer
71.33 products used for display or not sold during the cannabis event must be transported to and
71.34 from the cannabis event by a licensed cannabis transporter.

72.1 Subd. 7. Cannabis event sales. (a) Licensed cannabis retailers and licensed cannabis
72.2 microbusinesses with an endorsement to sell cannabis plants, adult-use cannabis flower,
72.3 adult-use cannabinoid products, and hemp-derived consumer products to customers, including
72.4 the cannabis event organizer, may sell cannabis plants, adult-use cannabis flower, adult-use
72.5 cannabinoid products, and hemp-derived consumer products to customers at a cannabis
72.6 event.

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

72.10 (c) Licensed cannabis retailers and licensed cannabis microbusinesses may only conduct
72.11 sales within their specifically assigned area.

72.12 (d) Licensed cannabis retailers and licensed cannabis microbusinesses must verify the
72.13 age of all customers pursuant to section 342.27, subdivision 3, before completing a sale and
72.14 may not sell cannabis flower or cannabinoid products to an individual under 21 years of
72.15 age.

72.16 (e) Licensed cannabis retailers and licensed cannabis microbusinesses may display one
72.17 sample of each type of cannabis plant, adult-use cannabis flower, adult-use cannabinoid
72.18 product, and hemp-derived consumer product available for sale. Samples of adult-use
72.19 cannabis and adult-use cannabinoid products must be stored in a sample jar or display case
72.20 and be accompanied by a label or notice containing the information required to be affixed
72.21 to the packaging or container containing adult-use cannabis flower and adult-use cannabinoid
72.22 products sold to customers. A sample may not consist of more than eight grams of adult-use
72.23 cannabis flower or adult-use cannabis concentrate, or an edible cannabinoid product infused
72.24 with more than 100 milligrams of tetrahydrocannabinol. A cannabis retailer may allow
72.25 customers to smell the adult-use cannabis flower or adult-use cannabinoid product before
72.26 purchase.

72.27 (f) The notice requirements under section 342.27, subdivision 5, apply to licensed
72.28 cannabis retailers and licensed cannabis microbusinesses offering cannabis plants, adult-use
72.29 cannabis flower, adult-use cannabinoid products, and hemp-derived consumer products for
72.30 sale at a cannabis event.

72.31 (g) Licensed cannabis retailers and licensed cannabis microbusinesses may not:

72.32 (1) sell adult-use cannabis flower or adult-use cannabinoid products to a person who is
72.33 visibly intoxicated;

73.1 (2) knowingly sell more adult-use cannabis flower or adult-use cannabinoid products
73.2 than a customer is legally permitted to possess;

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

73.4 (4) give away cannabis plants, cannabis flower, cannabinoid products, or hemp-derived
73.5 consumer products; or

73.6 (5) allow for the dispensing of cannabis plants, cannabis flower, cannabinoid products,
73.7 or hemp-derived consumer products in vending machines.

73.8 (h) Except for samples of adult-use cannabis flower and adult-use cannabinoid products,
73.9 all adult-use cannabis flower and adult-use cannabinoid products for sale at a cannabis event
73.10 must be stored in a secure, locked container that is not accessible to the public. Adult-use
73.11 cannabis flower and adult-use cannabinoid products being stored at a cannabis event shall
73.12 not be left unattended.

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

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

73.20 Subd. 8. **Cannabis event on-site consumption.** (a) If approved by the local unit of
73.21 government, a cannabis event may designate an area for consumption of adult-use cannabis
73.22 flower, adult-use cannabinoid products, or both.

73.23 (b) Access to areas where consumption of adult-use cannabis flower or adult-use
73.24 cannabinoid products is allowed shall be restricted to individuals who are at least 21 years
73.25 of age.

73.26 (c) The cannabis event organizer shall ensure that consumption of adult-use cannabis
73.27 flower or adult-use cannabinoid products within a designated consumption area is not visible
73.28 from any public place.

73.29 (d) The cannabis event organizer shall not permit consumption of alcohol or tobacco.

73.30 Sec. 37. **[342.38] CANNABIS DELIVERY SERVICE LICENSING.**

73.31 Subdivision 1. **Authorized actions.** A cannabis delivery service license entitles the
73.32 license holder to purchase cannabis flower, cannabinoid products, and hemp-derived

74.1 consumer products from licensed cannabis retailers, licensed cannabis microbusinesses with
 74.2 an endorsement to sell adult-use cannabis flower and adult-use cannabinoid products to
 74.3 customers, and medical cannabis retailers; transport and deliver cannabis flower, cannabinoid
 74.4 products, and hemp-derived consumable products to customers; and perform other actions
 74.5 approved by the office.

74.6 Subd. 2. **Additional information required.** In addition to the information required to
 74.7 be submitted under section 342.15, subdivision 1, and rules adopted pursuant to that section,
 74.8 a person, cooperative, or business seeking a cannabis delivery service license must submit
 74.9 the following information in a form approved by the office:

74.10 (1) a list of all vehicles to be used in the delivery of cannabis flower, cannabinoid
 74.11 products, and hemp-derived consumer products including:

74.12 (i) the vehicle make, model, and color;

74.13 (ii) the vehicle identification number; and

74.14 (iii) the license plate number;

74.15 (2) proof of insurance for each vehicle;

74.16 (3) a business plan demonstrating policies to avoid sales of cannabis flower, cannabinoid
 74.17 products, and hemp-derived consumer products to individuals who are under 21 years of
 74.18 age and plans to prevent the visibility of cannabis flower, cannabinoid products, and
 74.19 hemp-derived consumer products to individuals outside the delivery vehicle; and

74.20 (4) evidence that the business will comply with the applicable operation requirements
 74.21 for the license being sought.

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

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

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

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

75.1 Sec. 38. **[342.39] CANNABIS DELIVERY SERVICE OPERATIONS.**

75.2 **Subdivision 1. Age or registry verification.** Prior to completing a delivery, a cannabis
75.3 delivery service shall verify that the customer is at least 21 years of age or is enrolled in the
75.4 registry program. Section 342.27, subdivision 3, applies to the verification of a customer's
75.5 age. Registry verification issued by the Division of Medical Cannabis may be considered
75.6 evidence that the person is enrolled in the registry program.

75.7 **Subd. 2. Records.** The office by rule shall establish record-keeping requirements for a
75.8 cannabis delivery service, including but not limited to proof of delivery to individuals who
75.9 are at least 21 years of age or enrolled in the registry program.

75.10 **Subd. 3. Amount to be transported.** The office by rule shall establish limits on the
75.11 amount of cannabis flower, cannabinoid products, and hemp-derived consumer products
75.12 that a cannabis delivery service may transport.

75.13 **Subd. 4. Statewide monitoring system.** Receipt of cannabis flower and cannabinoid
75.14 products by the cannabis delivery service and a delivery to a customer must be recorded in
75.15 the statewide monitoring system within the time established by rule.

75.16 **Subd. 5. Storage compartment.** Cannabis flower, cannabinoid products, and
75.17 hemp-derived consumer products must be transported in a locked, safe, and secure storage
75.18 compartment that is part of the cannabis delivery service vehicle or in a locked storage
75.19 container that has a separate key or combination pad. Cannabis flower, cannabinoid products,
75.20 and hemp-derived consumer products may not be visible from outside the cannabis delivery
75.21 service vehicle.

75.22 **Subd. 6. Identifying logos or business names prohibited.** No cannabis delivery service
75.23 vehicle or trailer may contain an image depicting the types of items being transported,
75.24 including but not limited to an image depicting a cannabis or hemp leaf, or a name suggesting
75.25 that the cannabis delivery service vehicle is used for transporting cannabis flower,
75.26 cannabinoid products, or hemp-derived consumer products.

75.27 **Subd. 7. Nonemployee passengers prohibited.** Only a cannabis worker employed by
75.28 or contracted with the cannabis delivery service and who is at least 21 years of age may
75.29 transport cannabis flower, cannabinoid products, or hemp-derived consumer products. All
75.30 passengers in a cannabis delivery service vehicle must be cannabis workers employed by
75.31 or contracted with the cannabis delivery service.

76.1 Subd. 8. **Vehicles subject to inspection.** Any cannabis delivery service vehicle is subject
 76.2 to inspection and may be stopped or inspected at any licensed cannabis business or while
 76.3 en route during transportation.

76.4 Sec. 39. **[342.40] LOWER POTENCY EDIBLE PRODUCT RETAILER LICENSING.**

76.5 Subdivision 1. **Authorized actions.** A lower potency edible product retailer license
 76.6 entitles the license holder to:

76.7 (1) purchase lower potency edible products from cannabis manufacturers, cannabis
 76.8 wholesalers, and cannabis microbusinesses;

76.9 (2) sell lower potency edible products to customers; and

76.10 (3) perform other actions approved by the office.

76.11 Subd. 2. **Licensing exceptions; requirements.** (a) Except as otherwise provided in this
 76.12 subdivision, the provisions of this chapter relating to license applications, license selection
 76.13 criteria, general ownership disqualifications and requirements, and general operational
 76.14 requirements do not apply to a lower potency edible product license or licensee.

76.15 (b) A license applicant or, in the case of a business entity, every cooperative member
 76.16 or director, manager and general partner of the business entity must submit a completed
 76.17 criminal history records check consent form, a full set of classifiable fingerprints, and the
 76.18 required fees to the office. Upon receipt of this information, the office must submit the
 76.19 completed criminal history records check consent form, full set of classifiable fingerprints,
 76.20 and required fees to the Bureau of Criminal Apprehension. After receiving this information,
 76.21 the bureau must conduct a Minnesota criminal history records check of the license applicant.
 76.22 The bureau may exchange a license applicant's fingerprints with the Federal Bureau of
 76.23 Investigation to obtain the applicant's national criminal history record information. The
 76.24 bureau must return the results of the Minnesota and federal criminal history records checks
 76.25 to the director to determine if the applicant is disqualified under section 342.20.

76.26 (c) The office may issue a lower potency edible products license to an applicant who:

76.27 (1) is at least 21 years of age;

76.28 (2) has completed an application for licensure or application for renewal and has fully
 76.29 and truthfully complied with all information requests relating to license application and
 76.30 renewal;

76.31 (3) registers with the statewide monitoring system;

77.1 (4) is not employed by the office or any state agency with regulatory authority over this
 77.2 chapter; and

77.3 (5) is not disqualified under section 342.20, subdivision 2.

77.4 (d) Licenses must be renewed annually. The office may charge an application fee not
 77.5 to exceed \$250 to cover the costs associated with reviewing and processing applications
 77.6 but must not charge a licensing fee.

77.7 (e) Licenses may not be transferred.

77.8 Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a
 77.9 lower potency edible product license may not own, operate, or be employed by any other
 77.10 cannabis business.

77.11 (b) A person, cooperative, or business holding a lower potency edible product license
 77.12 may hold an off-sale or on-sale license for the sale of 3.2 percent malt liquor, an on-sale
 77.13 intoxicating liquor license, an off-sale intoxicating liquor license, or a combination off-sale
 77.14 and on-sale intoxicating liquor license.

77.15 Sec. 40. **[342.41] LOWER POTENCY EDIBLE PRODUCT RETAILER**
 77.16 **OPERATIONS.**

77.17 Subdivision 1. **Sale of lower potency edible products.** (a) A lower potency edible
 77.18 product retailer may only sell lower potency edible products to individuals who are at least
 77.19 21 years of age.

77.20 (b) A lower potency edible product retailer may sell lower potency edible products that:

77.21 (1) are obtained from a licensed Minnesota cannabis manufacturer, cannabis
 77.22 microbusiness, or cannabis wholesaler; and

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

77.24 Subd. 2. **Sale of other products.** A lower potency edible product retailer may sell other
 77.25 products or items for which the cannabis wholesaler has a license or authorization or that
 77.26 do not require a license or authorization.

77.27 Subd. 3. **Age verification.** Prior to initiating a sale, an employee of the lower potency
 77.28 edible product retailer must verify that the customer is at least 21 years of age. Section
 77.29 342.27, subdivision 3, applies to the verification of a customer's age.

77.30 Subd. 4. **Display and storage of lower potency edible products.** A lower potency
 77.31 edible product retailer shall ensure that all lower potency edible products are displayed

78.1 behind a checkout counter where the public is not permitted. All lower potency edible
78.2 products that are not displayed must be stored in a secure area.

78.3 Subd. 5. **Compliant products.** A lower potency edible product retailer shall ensure that
78.4 all lower potency edible products offered for sale comply with the limits on the amount and
78.5 types of cannabinoids that a lower potency edible product can contain, including but not
78.6 limited to the requirement that lower potency edible products:

78.7 (1) be packaged in servings that contain no more than five milligrams of delta-9
78.8 tetrahydrocannabinol per serving, 25 milligrams of cannabidiol per serving, or both;

78.9 (2) do not contain more than a combined total of 0.5 milligrams of all other cannabinoids;

78.10 (3) do not contain an artificially derived cannabinoid other than delta-9
78.11 tetrahydrocannabinol; and

78.12 (4) if the package contains more than one serving, indicate each serving by scoring,
78.13 wrapping, or other indicators that appear on the lower potency edible product designating
78.14 the individual serving size.

78.15 Subd. 6. **On-site consumption.** (a) A lower potency edible product retailer that also
78.16 holds an on-sale license for the sale of 3.2 percent malt liquor, an on-sale intoxicating liquor
78.17 license, or a combination off-sale and on-sale intoxicating liquor license may sell lower
78.18 potency edible products that are intended to be consumed as a beverage for on-site
78.19 consumption.

78.20 (b) lower potency edible products sold for on-site consumption must comply with this
78.21 chapter and rules adopted pursuant to this chapter regarding the testing, packaging, and
78.22 labeling of cannabinoid products.

78.23 (c) lower potency edible products sold for on-site consumption must be served in the
78.24 required packaging, but may be removed from the products' packaging by customers and
78.25 consumed on site.

78.26 (d) Food and beverages not otherwise prohibited by this subdivision may be prepared
78.27 and sold on site provided that the lower potency edible product retailer complies with all
78.28 relevant state and local laws, ordinances, licensing requirements, and zoning requirements.

78.29 (e) A lower potency edible product retailer may offer recorded or live entertainment
78.30 provided that the lower potency edible product retailer complies with all relevant state and
78.31 local laws, ordinances, licensing requirements, and zoning requirements.

78.32 (f) A lower potency edible product retailer may not:

- 79.1 (1) sell lower potency edible products to an individual who is under 21 years of age;
- 79.2 (2) sell lower potency edible products to a customer who the lower potency edible product
- 79.3 retailer knows or reasonably should know has consumed alcohol sold or provided by the
- 79.4 lower potency edible product retailer within the previous five hours;
- 79.5 (3) sell a lower potency edible product to a person who is visibly intoxicated;
- 79.6 (4) sell cannabis flower, hemp-derived consumer products, or any cannabinoid product
- 79.7 other than lower potency edible products that are intended to be consumed as a beverage;
- 79.8 (5) permit lower potency edible products that have been removed from the products'
- 79.9 packaging to be removed from the premises of the lower potency edible product retailer;
- 79.10 (6) allow for the dispensing of lower potency edible products in vending machines;
- 79.11 (7) sell lower potency edible products when the statewide monitoring system is not
- 79.12 operational; or
- 79.13 (8) distribute or allow free samples of lower potency edible products.

79.14 Subd. 7. **Statewide monitoring system.** (a) A lower potency edible product retailer

79.15 shall record all lower potency edible products it receives in the statewide monitoring system.

79.16 (b) A lower potency edible product retailer shall record all lower potency edible products

79.17 sold, damaged, or destroyed in the statewide monitoring system.

79.18 Subd. 8. **Posting of notices.** A lower potency edible product retailer must post all notices

79.19 as provided in section 342.27, subdivision 5.

79.20 Subd. 9. **Building conditions.** (a) A lower potency edible product retailer shall maintain

79.21 compliance with state and local building, fire, and zoning requirements or regulations.

79.22 (b) A lower potency edible product retailer shall ensure that the licensed premises is

79.23 maintained in a clean and sanitary condition, free from infestation by insects, rodents, or

79.24 other pests.

79.25 Subd. 10. **Enforcement.** The office shall inspect lower potency cannabinoid product

79.26 retailers and take enforcement action as provided in sections 342.18 and 342.19.

79.27 Sec. 41. **[342.42] MEDICAL CANNABIS BUSINESS LICENSES.**

79.28 Subdivision 1. **License types.** (a) The office shall issue the following types of medical

79.29 cannabis business licenses:

79.30 (1) medical cannabis cultivator;

80.1 (2) medical cannabis processor; and

80.2 (3) medical cannabis retailer.

80.3 (b) The Division of Medical Cannabis may oversee the licensing and regulation of
80.4 medical cannabis businesses.

80.5 Subd. 2. **Multiple licenses; limits.** (a) A person, cooperative, or business holding:

80.6 (1) a medical cannabis cultivator license may also hold a medical cannabis processor
80.7 license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event
80.8 organizer license subject to the ownership limitations that apply to those licenses;

80.9 (2) a medical cannabis processor license may also hold a medical cannabis cultivator
80.10 license, a cannabis cultivator license, a cannabis manufacturer license, and a cannabis event
80.11 organizer license subject to the ownership limitations that apply to those licenses; or

80.12 (3) a medical cannabis retailer license may also hold a cannabis retailer license, a cannabis
80.13 delivery service license, and a cannabis event organizer license subject to the ownership
80.14 limitations that apply to those licenses.

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

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

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

80.22 Subd. 3. **Registered medical cannabis manufacturers.** (a) As used in this subdivision,
80.23 "medical cannabis manufacturer" means either of the two in-state manufacturers of medical
80.24 cannabis registered with the commissioner of health pursuant to section 152.25 as of July
80.25 1, 2023.

80.26 (b) Notwithstanding any law to the contrary, the registration or reregistration period of
80.27 a medical cannabis manufacturer expires on July 1, 2024.

80.28 Subd. 4. **Limitations on health care practitioners.** A health care practitioner who
80.29 certifies qualifying medical conditions for patients is prohibited from:

80.30 (1) holding a direct or indirect economic interest in a medical cannabis business;

81.1 (2) serving on a board of directors or as an employee of a medical cannabis business;

81.2 or

81.3 (3) advertising with a medical cannabis business in any way.

81.4 Subd. 5. **Remuneration.** A medical cannabis business is prohibited from:

81.5 (1) accepting or soliciting any form of remuneration from a health care practitioner who
81.6 certifies qualifying medical conditions for patients; or

81.7 (2) offering any form of remuneration to a health care practitioner who certifies qualifying
81.8 medical conditions for patients.

81.9 **EFFECTIVE DATE.** This section is effective January 1, 2024.

81.10 Sec. 42. **[342.43] MEDICAL CANNABIS BUSINESS APPLICATIONS.**

81.11 Subdivision 1. **Information required.** In addition to information required to be submitted
81.12 under section 342.15, subdivision 1, and rules adopted pursuant to that section, a person,
81.13 cooperative, or business seeking a medical cannabis business license must submit the
81.14 following information in a form approved by the office:

81.15 (1) for medical cannabis cultivator license applicants:

81.16 (i) an operating plan demonstrating the proposed size and layout of the cultivation facility;
81.17 plans for wastewater and waste disposal for the cultivation facility; plans for providing
81.18 electricity, water, and other utilities necessary for the normal operation of the cultivation
81.19 facility; and plans for compliance with applicable building code and federal and state
81.20 environmental and workplace safety requirements;

81.21 (ii) a cultivation plan demonstrating the proposed size and layout of the cultivation
81.22 facility that will be used exclusively for cultivation for medical cannabis, including the total
81.23 amount of plant canopy; and

81.24 (iii) evidence that the business will comply with the applicable operation requirements
81.25 for the license being sought;

81.26 (2) for medical cannabis processor license applicants:

81.27 (i) an operating plan demonstrating the proposed layout of the facility, including a
81.28 diagram of ventilation and filtration systems; plans for wastewater and waste disposal for
81.29 the manufacturing facility; plans for providing electricity, water, and other utilities necessary
81.30 for the normal operation of the manufacturing facility; and plans for compliance with

82.1 applicable building code and federal and state environmental and workplace safety
82.2 requirements;

82.3 (ii) all methods of extraction and concentration that the applicant intends to use and the
82.4 volatile chemicals, if any, that are involved in extraction or concentration;

82.5 (iii) if the applicant is seeking an endorsement to manufacture products infused with
82.6 cannabinoids for consumption by patients enrolled in the registry program, proof of an
82.7 edible cannabinoid product handler endorsement from the office; and

82.8 (iv) evidence that the applicant will comply with the applicable operation requirements
82.9 for the license being sought; or

82.10 (3) for medical cannabis retailer license applicants:

82.11 (i) a list of every retail license held by the applicant and, if the applicant is a business,
82.12 every retail license held, either as an individual or as part of another business, by each
82.13 officer, director, manager, and general partner of the cannabis business;

82.14 (ii) an operating plan demonstrating the proposed layout of the facility including a
82.15 diagram of ventilation and filtration systems, policies to avoid sales to individuals who are
82.16 not authorized to receive the distribution of medical cannabis flower or medical cannabinoid
82.17 products, identification of a restricted area for storage, and plans to prevent the visibility of
82.18 cannabis flower and cannabinoid products;

82.19 (iii) if the applicant holds or is applying for a cannabis retailer license, a diagram showing
82.20 the portion of the premises in which medical cannabis flower and medical cannabinoid
82.21 products will be sold and distributed and identifying an area that is definite and distinct
82.22 from all other areas of the cannabis retailer, accessed through a distinct entrance, and contains
82.23 an appropriate space for a pharmacist employee of the medical cannabis retailer to consult
82.24 with the patient to determine the proper type of medical cannabis flower and medical
82.25 cannabinoid products and proper dosage for the patient; and

82.26 (iv) evidence that the applicant will comply with the applicable operation requirements
82.27 for the license being sought.

82.28 Subd. 2. Segregation of medical cannabis. A person, cooperative, or business seeking
82.29 a medical cannabis cultivator license or a medical cannabis processor license and any other
82.30 type of cannabis business license, other than a cannabis event organizer license, must identify
82.31 the methods that will be used to segregate medical cannabis flower and medical cannabinoid
82.32 products from other cannabis flower and cannabinoid products to avoid cross-contamination.

82.33 **EFFECTIVE DATE.** This section is effective January 1, 2024.

83.1 Sec. 43. **[342.44] MEDICAL CANNABIS CULTIVATORS.**

83.2 (a) A medical cannabis cultivator license entitles the license holder to grow cannabis
83.3 plants within the approved amount of space from seed or immature plant to mature plant,
83.4 harvest cannabis flower from a mature plant, package and label cannabis flower as medical
83.5 cannabis flower, sell medical cannabis flower to medical cannabis processors and medical
83.6 cannabis retailers, transport medical cannabis flower to a medical cannabis processor located
83.7 on the same premises, and perform other actions approved by the office.

83.8 (b) A medical cannabis cultivator license holder must comply with all requirements of
83.9 section 342.23.

83.10 (c) A medical cannabis cultivator license holder must verify that every batch of medical
83.11 cannabis flower has passed safety, potency, and consistency testing at a cannabis testing
83.12 facility approved by the office for the testing of medical cannabis flower before the medical
83.13 cannabis cultivator may package, label, or sell the medical cannabis flower to any other
83.14 entity.

83.15 **EFFECTIVE DATE.** This section is effective January 1, 2024.

83.16 Sec. 44. **[342.45] MEDICAL CANNABIS PROCESSORS.**

83.17 (a) A medical cannabis processor license, consistent with the specific license endorsement
83.18 or endorsements, entitles the license holder to:

83.19 (1) purchase medical cannabis flower, medical cannabinoid products, hemp plant parts,
83.20 and hemp concentrate from medical cannabis cultivators, other medical cannabis processors,
83.21 and industrial hemp growers;

83.22 (2) make cannabis concentrate from medical cannabis flower;

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

83.25 (4) manufacture medical cannabinoid products;

83.26 (5) package and label medical cannabinoid products for sale to other medical cannabis
83.27 processors and to medical cannabis retailers; and

83.28 (6) perform other actions approved by the office.

83.29 (b) A medical cannabis cultivator license holder must comply with all requirements of
83.30 section 342.23, including requirements to obtain specific license endorsements.

84.1 (c) A medical cannabis processor license holder must verify that every batch of medical
84.2 cannabinoid product has passed safety, potency, and consistency testing at a cannabis testing
84.3 facility approved by the office for the testing of medical cannabinoid products before the
84.4 medical cannabis processor may package, label, or sell the medical cannabinoid product to
84.5 any other entity.

84.6 **EFFECTIVE DATE.** This section is effective January 1, 2024.

84.7 Sec. 45. **[342.46] MEDICAL CANNABIS RETAILERS.**

84.8 Subdivision 1. **Authorized actions.** (a) A medical cannabis retailer license entitles the
84.9 license holder to purchase medical cannabis flower and medical cannabinoid products from
84.10 medical cannabis cultivators and medical cannabis processors and sell or distribute medical
84.11 cannabis flower and medical cannabinoid products to any person authorized to receive
84.12 distribution.

84.13 (b) A medical cannabis retailer license holder must verify that all medical cannabis
84.14 flower and medical cannabinoid products have passed safety, potency, and consistency
84.15 testing at a cannabis testing facility approved by the office for the testing of medical cannabis
84.16 flower and medical cannabinoid products before the medical cannabis retailer may distribute
84.17 the medical cannabis flower or medical cannabis product to any person authorized to receive
84.18 distribution.

84.19 Subd. 2. **Distribution requirements.** (a) Prior to distribution of medical cannabis flower
84.20 or medical cannabinoid products, a medical cannabis retailer licensee must:

84.21 (1) review and confirm the patient's registry verification;

84.22 (2) verify that the person requesting the distribution of medical cannabis flower or
84.23 medical cannabinoid products is the patient, the patient's registered designated caregiver,
84.24 or the patient's parent, legal guardian, or spouse using the procedures specified in section
84.25 152.11, subdivision 2d;

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

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

84.31 (b) A medical cannabis retailer may not deliver medical cannabis flower or medical
84.32 cannabinoid products unless the medical cannabis retailer also holds a cannabis delivery

85.1 service license. Delivery of medical cannabis flower and medical cannabinoid products are
85.2 subject to the provisions of section 342.39.

85.3 Subd. 3. **Final approval for distribution of medical cannabis flower and medical**
85.4 **cannabinoid products.** (a) A cannabis worker who is employed by a medical cannabis
85.5 retailer and who is licensed as a pharmacist pursuant to chapter 151 shall be the only person
85.6 who may give final approval for the distribution of medical cannabis flower and medical
85.7 cannabinoid products. Prior to the distribution of medical cannabis flower or medical
85.8 cannabinoid products, a pharmacist employed by the medical cannabis retailer must consult
85.9 with the patient to determine the proper type of medical cannabis flower, medical cannabinoid
85.10 product, or medical cannabis paraphernalia and proper dosage for the patient after reviewing
85.11 the range of chemical compositions of medical cannabis flower or medical cannabinoid
85.12 product. For purposes of this subdivision, a consultation may be conducted remotely by
85.13 secure videoconference, telephone, or other remote means, as long as:

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

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

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

85.25 Subd. 4. **90-day supply.** A medical cannabis retailer shall not distribute more than a
85.26 90-day supply of medical cannabis flower or medical cannabinoid products to a patient,
85.27 registered designated caregiver, or parent, legal guardian, or spouse of a patient according
85.28 to the dosages established for the individual patient.

85.29 Subd. 5. **Distribution to recipient in a motor vehicle.** A medical cannabis retailer may
85.30 distribute medical cannabis flower and medical cannabinoid products to a patient, registered
85.31 designated caregiver, or parent, legal guardian, or spouse of a patient who is at a dispensary
85.32 location but remains in a motor vehicle, provided that:

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

86.1 (2) the medical cannabis retailer ensures that the receipt of payment and distribution of
86.2 medical cannabis flower and medical cannabinoid products are visually recorded by a
86.3 closed-circuit television surveillance camera and provides any other necessary security
86.4 safeguards;

86.5 (3) the medical cannabis retailer does not store medical cannabis flower or medical
86.6 cannabinoid products outside a restricted access area and staff transport medical cannabis
86.7 flower and medical cannabinoid products from a restricted access area to the designated
86.8 zone for distribution only after confirming that the patient, designated caregiver, or parent,
86.9 guardian, or spouse has arrived in the designated zone;

86.10 (4) the payment and distribution of medical cannabis flower and medical cannabinoid
86.11 products take place only after a pharmacist consultation takes place, if required under
86.12 subdivision 3;

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

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

86.17 Subd. 6. **Physical separation required.** A medical cannabis retailer that is also a cannabis
86.18 retailer must distribute medical cannabis flower and medical cannabinoid products provided
86.19 that the portion of the premises in which medical cannabis flower and medical cannabinoid
86.20 products are sold is definite and distinct from all other areas of the cannabis retailer, is
86.21 accessed through a distinct entrance, and provides an appropriate space for a pharmacist
86.22 employee of the medical cannabis retailer to consult with the patient to determine the proper
86.23 type of medical cannabis flower and medical cannabinoid products and proper dosage for
86.24 the patient.

86.25 **EFFECTIVE DATE.** This section is effective January 1, 2024.

86.26 Sec. 46. **[342.47] PATIENT REGISTRY PROGRAM.**

86.27 Subdivision 1. **Administration.** The Division of Medical Cannabis must administer the
86.28 medical cannabis registry program.

86.29 Subd. 2. **Application procedure for patients.** (a) A patient seeking to enroll in the
86.30 registry program must submit to the Division of Medical Cannabis an application established
86.31 by the Division of Medical Cannabis and a copy of the certification specified in paragraph
86.32 (b) or, if the patient is a veteran who receives care from the United States Department of

- 87.1 Veterans Affairs, the information required pursuant to subdivision 3. The patient must
87.2 provide at least the following information in the application:
- 87.3 (1) the patient's name, mailing address, and date of birth;
- 87.4 (2) the name, mailing address, and telephone number of the patient's health care
87.5 practitioner;
- 87.6 (3) the name, mailing address, and date of birth of the patient's registered designated
87.7 caregiver, if any, or the patient's parent, legal guardian, or spouse if the parent, legal guardian,
87.8 or spouse will be acting as the patient's caregiver;
- 87.9 (4) a disclosure signed by the patient that includes:
- 87.10 (i) a statement that, notwithstanding any law to the contrary, the Office of Cannabis
87.11 Management, the Division of Medical Cannabis, or an employee of the Office of Cannabis
87.12 Management or Division of Medical Cannabis may not be held civilly or criminally liable
87.13 for any injury, loss of property, personal injury, or death caused by an act or omission while
87.14 acting within the employee's scope of office or employment under this section; and
- 87.15 (ii) the patient's acknowledgment that enrollment in the registry program is conditional
87.16 on the patient's agreement to meet all other requirements of this section; and
- 87.17 (5) all other information required by the Division of Medical Cannabis.
- 87.18 (b) As part of the application under this subdivision, a patient must submit a copy of a
87.19 certification from the patient's health care practitioner that is dated within 90 days prior to
87.20 the submission of the application and that certifies that the patient has been diagnosed with
87.21 a qualifying medical condition.
- 87.22 (c) A patient's health care practitioner may submit a statement to the Division of Medical
87.23 Cannabis declaring that the patient is no longer diagnosed with a qualifying medical
87.24 condition. Within 30 days after receipt of a statement from a patient's health care practitioner,
87.25 the Division of Medical Cannabis must provide written notice to a patient stating that the
87.26 patient's enrollment in the registry program will be revoked in 30 days unless the patient
87.27 submits a certification from a health care practitioner that the patient is currently diagnosed
87.28 with a qualifying medical condition or, if the patient is a veteran, the patient submits
87.29 confirmation that the patient is currently diagnosed with a qualifying medical condition in
87.30 a form and manner consistent with the information required for an application made pursuant
87.31 to subdivision 3. If the Division of Medical Cannabis revokes a patient's enrollment in the
87.32 registry program pursuant to this paragraph, the division must provide notice to the patient
87.33 and to the patient's health care practitioner.

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

88.5 (b) A patient who is also a veteran and is seeking to enroll in the registry program must
88.6 submit to the Division of Medical Cannabis an application established by the Division of
88.7 Medical Cannabis that includes the information identified in subdivision 2, paragraph (a),
88.8 and the additional information required by the Division of Medical Cannabis to certify that
88.9 the patient has been diagnosed with a qualifying medical condition.

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

88.16 (b) A patient's enrollment in the registry program must only be denied if the patient:

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

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

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

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

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

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

88.29 (d) A patient's enrollment in the registry program may be revoked only:

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

88.31 (2) upon the death of the patient;

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

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

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

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

89.11 Subd. 5. **Registry verification.** When a patient is enrolled in the registry program, the
89.12 Division of Medical Cannabis must assign the patient a patient registry number and must
89.13 issue the patient and the patient's registered designated caregiver, parent, legal guardian, or
89.14 spouse, if applicable, a registry verification. The Division of Medical Cannabis must also
89.15 make the registry verification available to medical cannabis retailers. The registry verification
89.16 must include:

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

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

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

89.22 Subd. 6. **Conditions of continued enrollment.** As conditions of continued enrollment,
89.23 a patient must:

89.24 (1) continue to receive regularly scheduled treatment for the patient's qualifying medical
89.25 condition from the patient's health care practitioner; and

89.26 (2) report changes in the patient's qualifying medical condition to the patient's health
89.27 care practitioner.

89.28 Subd. 7. **Enrollment period.** Enrollment in the registry program is valid for one year.
89.29 To re-enroll, a patient must submit the information required in subdivision 2 and a patient
89.30 who is also a veteran must submit the information required in subdivision 3.

90.1 Subd. 8. Medical cannabis flower and medical cannabinoid products; allowable
90.2 delivery methods. Medical cannabis flower and medical cannabinoid products may be
90.3 delivered in the form of:

- 90.4 (1) a liquid, including but not limited to oil;
90.5 (2) a pill;
90.6 (3) a vaporized delivery method with the use of liquid or oil;
90.7 (4) combustion with the use of dried raw cannabis; or
90.8 (5) any other method approved by the commissioner.

90.9 Subd. 9. Registered designated caregiver. (a) The Division of Medical Cannabis must
90.10 register a designated caregiver for a patient if the patient requires assistance in administering
90.11 medical cannabis flower or medical cannabinoid products or in obtaining medical cannabis
90.12 flower, medical cannabinoid products, or medical cannabis paraphernalia from a medical
90.13 cannabis retailer.

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

- 90.15 (1) be at least 18 years of age;
90.16 (2) agree to only possess the patient's medical cannabis flower and medical cannabinoid
90.17 products for purposes of assisting the patient; and
90.18 (3) agree that if the application is approved, the person will not serve as a registered
90.19 designated caregiver for more than six registered patients at one time. Patients who reside
90.20 in the same residence count as one patient.

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

90.26 (d) Nothing in this section shall be construed to prevent a registered designated caregiver
90.27 from being enrolled in the registry program as a patient and possessing and administering
90.28 medical cannabis as a patient.

90.29 Subd. 10. Parents, legal guardians, spouses. A parent, legal guardian, or spouse of a
90.30 patient may act as the caregiver for a patient. The parent, legal guardian, or spouse who is
90.31 acting as a caregiver must follow all requirements for parents, legal guardians, and spouses

91.1 under this chapter. Nothing in this section limits any legal authority that a parent, legal
 91.2 guardian, or spouse may have for the patient under any other law.

91.3 Subd. 11. **Enrollment fee.** (a) The Division of Cannabis Management must collect an
 91.4 enrollment fee of \$40 from a patient enrolled under this section.

91.5 (b) Revenue collected under this subdivision shall deposit to a dedicated account in the
 91.6 special revenue fund. The balance of the account shall be appropriated annually to the
 91.7 administrator of the office for program operations.

91.8 Subd. 12. **Notice of change of name or address.** Patients and registered designated
 91.9 caregivers must notify the Division of Medical Cannabis of any address or name change
 91.10 within 30 days of the change having occurred. A patient or registered designated caregiver
 91.11 is subject to a \$100 fine for failure to notify the office of the change.

91.12 **EFFECTIVE DATE.** This section is effective January 1, 2024.

91.13 Sec. 47. **[342.48] DUTIES OF OFFICE OF CANNABIS MANAGEMENT;**
 91.14 **REGISTRY PROGRAM.**

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

91.30 **EFFECTIVE DATE.** This section is effective January 1, 2024.

92.1 Sec. 48. [342.49] DUTIES OF DIVISION OF MEDICAL CANNABIS; REGISTRY
 92.2 PROGRAM.

92.3 Subdivision 1. Duties related to health care practitioners. The Division of Medical
 92.4 Cannabis must:

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

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

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

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

92.13 (5) supervise the participation of health care practitioners in the registry reporting system
 92.14 in which health care practitioners report patient treatment and health records information
 92.15 to the office in a manner that ensures stringent security and record keeping requirements
 92.16 and that prevents the unauthorized release of private data on individuals as defined in section
 92.17 13.02.

92.18 Subd. 2. Duties related to the registry program. The Division of Medical Cannabis
 92.19 must:

92.20 (1) administer the registry program according to section 342.47;

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

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

92.29 (4) review and publicly report on existing medical and scientific literature regarding the
 92.30 range of recommended dosages for each qualifying medical condition, the range of chemical
 92.31 compositions of medical cannabis flower and medical cannabinoid products that will likely
 92.32 be medically beneficial for each qualifying medical condition, and any risks of noncannabis

93.1 drug interactions. This information must be updated by December 1 of each year. The office
 93.2 may consult with an independent laboratory under contract with the office or other experts
 93.3 in reporting and updating this information; and

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

93.8 Subd. 3. **Research.** (a) The Division of Medical Cannabis must conduct or contract with
 93.9 a third party to conduct research and studies using data from health records submitted to
 93.10 the registry program under section 342.50, subdivision 2, and data submitted to the registry
 93.11 program under section 342.47, subdivisions 2 and 3. If the division contracts with a third
 93.12 party for research and studies, the third party must provide the division with access to all
 93.13 research and study results. The division must submit reports on intermediate or final research
 93.14 results to the legislature and major scientific journals. All data used by the division or a
 93.15 third party under this subdivision must be used or reported in an aggregated nonidentifiable
 93.16 form as part of a scientific peer-reviewed publication of research or in the creation of
 93.17 summary data, as defined in section 13.02, subdivision 19.

93.18 (b) The Division of Medical Cannabis may submit medical research based on the data
 93.19 collected under sections 342.50, subdivision 2, and data collected through the statewide
 93.20 monitoring system to any federal agency with regulatory or enforcement authority over
 93.21 medical cannabis to demonstrate the effectiveness of medical cannabis flower or medical
 93.22 cannabinoid products for treating or alleviating the symptoms of a qualifying medical
 93.23 condition.

93.24 **EFFECTIVE DATE.** This section is effective January 1, 2024.

93.25 Sec. 49. **[342.50] DUTIES OF HEALTH CARE PRACTITIONERS; REGISTRY**
 93.26 **PROGRAM.**

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

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

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

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

94.5 (4) provide to patients a Tennessee warning as required under section 13.04, subdivision
94.6 2; and

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

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

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

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

94.17 (3) determine on a yearly basis if the patient continues to have a qualifying medical
94.18 condition and, if so, issue the patient a new certification of that diagnosis. The patient
94.19 assessment conducted under this clause may be conducted via telemedicine, as defined in
94.20 section 62A.671, subdivision 9; and

94.21 (4) otherwise comply with requirements established by the Office of Cannabis
94.22 Management and the Division of Medical Cannabis.

94.23 Subd. 3. **Participation not required.** Nothing in this section requires a health care
94.24 practitioner to participate in the registry program.

94.25 Subd. 4. **Data.** Data on patients collected by a health care practitioner and reported to
94.26 the registry program, including data on patients who are veterans who receive care from
94.27 the United States Department of Veterans Affairs, are health records under section 144.291
94.28 and are private data on individuals under section 13.02 but may be used or reported in an
94.29 aggregated nonidentifiable form as part of a scientific peer-reviewed publication of research
94.30 conducted under section 342.49 or in the creation of summary data, as defined in section
94.31 13.02, subdivision 19.

94.32 Subd. 5. **Exception.** The requirements of this section do not apply to a patient who is a
94.33 veteran who receives care from the United States Department of Veterans Affairs or a health

95.1 care practitioner employed by the United States Department of Veterans Affairs. Such a
 95.2 patient must meet the certification requirements developed pursuant to section 342.47,
 95.3 subdivision 3, before the patient's enrollment in the registry program. The Division of
 95.4 Medical Cannabis may establish policies and procedures to obtain medical records and other
 95.5 relevant data from a health care practitioner employed by the United States Department of
 95.6 Veterans Affairs, provided that those policies and procedures are consistent with this section.

95.7 **EFFECTIVE DATE.** This section is effective January 1, 2024.

95.8 Sec. 50. **[342.51] LIMITATIONS.**

95.9 Subdivision 1. **Limitations on consumption; locations of consumption.** Nothing in
 95.10 sections 342.42 to 342.56 permits any person to engage in, and does not prevent the
 95.11 imposition of any civil, criminal, or other penalties for:

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

95.14 (2) possessing or consuming medical cannabis:

95.15 (i) on a school bus or van;

95.16 (ii) in a correctional facility; or

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

95.18 (3) vaporizing or smoking medical cannabis:

95.19 (i) on any form of public transportation;

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

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

95.24 (4) operating, navigating, or being in actual physical control of a motor vehicle, aircraft,
 95.25 train, or motorboat or working on transportation property, equipment, or facilities while
 95.26 under the influence of medical cannabis or a medical cannabis product.

95.27 Subd. 3. **Health care facilities.** (a) Health care facilities licensed under chapter 144A;
 95.28 hospice providers licensed under chapter 144A; boarding care homes or supervised living
 95.29 facilities licensed under section 144.50; assisted living facilities under chapter 144G; facilities
 95.30 owned, controlled, managed, or under common control with hospitals licensed under chapter
 95.31 144; and other health care facilities licensed by the commissioner of health may adopt

96.1 reasonable restrictions on the use of medical cannabis flower or medical cannabinoid products
 96.2 by a patient enrolled in the registry program who resides at or is actively receiving treatment
 96.3 or care at the facility. The restrictions may include a provision that the facility must not
 96.4 store or maintain a patient's supply of medical cannabis flower or medical cannabinoid
 96.5 products, that the facility is not responsible for providing medical cannabis for patients, and
 96.6 that medical cannabis flower or medical cannabinoid products are used only in a location
 96.7 specified by the facility or provider.

96.8 (b) An employee or agent of a facility or provider listed in this subdivision or a person
 96.9 licensed under chapter 144E is not violating this chapter or chapter 152 for the possession
 96.10 of medical cannabis flower or medical cannabinoid products while carrying out employment
 96.11 duties, including providing or supervising care to a patient enrolled in the registry program,
 96.12 or distribution of medical cannabis flower or medical cannabinoid products to a patient
 96.13 enrolled in the registry program who resides at or is actively receiving treatment or care at
 96.14 the facility or from the provider with which the employee or agent is affiliated. Nothing in
 96.15 this subdivision requires facilities and providers listed in this subdivision to adopt such
 96.16 restrictions. No facility or provider listed in this subdivision may unreasonably limit a
 96.17 patient's access to or use of medical cannabis flower or medical cannabinoid products to
 96.18 the extent that such use is authorized under sections 342.42 to 342.56.

96.19 **EFFECTIVE DATE.** This section is effective January 1, 2024.

96.20 Sec. 51. **[342.52] PROTECTIONS FOR REGISTRY PROGRAM PARTICIPANTS.**

96.21 Subdivision 1. **Presumption.** There is a presumption that a patient enrolled in the registry
 96.22 program is engaged in the authorized use of medical cannabis flower and medical cannabinoid
 96.23 products. This presumption may be rebutted by evidence that the patient's use of medical
 96.24 cannabis flower or medical cannabinoid products was not for the purpose of treating or
 96.25 alleviating the patient's qualifying medical condition or symptoms associated with the
 96.26 patient's qualifying medical condition.

96.27 Subd. 2. **Criminal and civil protections.** (a) Subject to section 342.51, the following
 96.28 are not violations of this chapter or chapter 152:

96.29 (1) use or possession of medical cannabis flower, medical cannabinoid products, or
 96.30 medical cannabis paraphernalia by a patient enrolled in the registry program or by a visiting
 96.31 patient to whom medical cannabis is distributed under section 342.46, subdivision 5;

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

97.4 (3) possession of medical cannabis flower, medical cannabinoid products, or medical
97.5 cannabis paraphernalia by any person while carrying out duties required under sections
97.6 342.42 to 342.56.

97.7 (b) The Office of Cannabis Management, members of the Cannabis Advisory Council,
97.8 Office of Cannabis Management employees, agents or contractors of the Office of Cannabis
97.9 Management, and health care practitioners participating in the registry program are not
97.10 subject to any civil penalties or disciplinary action by the Board of Medical Practice, the
97.11 Board of Nursing, or any business, occupational, or professional licensing board or entity
97.12 solely for participating in the registry program. A pharmacist licensed under chapter 151 is
97.13 not subject to any civil penalties or disciplinary action by the Board of Pharmacy when
97.14 acting in accordance with sections 342.42 to 342.56. Nothing in this section prohibits a
97.15 professional licensing board from taking action in response to a violation of law.

97.16 (c) Notwithstanding any law to the contrary, a Cannabis Advisory Council member, the
97.17 governor, or an employee of a state agency must not be held civilly or criminally liable for
97.18 any injury, loss of property, personal injury, or death caused by any act or omission while
97.19 acting within the scope of office or employment under sections 342.42 to 342.56.

97.20 (d) Federal, state, and local law enforcement authorities are prohibited from accessing
97.21 the registry except when acting pursuant to a valid search warrant. Notwithstanding section
97.22 13.09, a violation of this paragraph is a gross misdemeanor.

97.23 (e) Notwithstanding any law to the contrary, the office and employees of the office must
97.24 not release data or information about an individual contained in any report or document or
97.25 in the registry and must not release data or information obtained about a patient enrolled in
97.26 the registry program, except as provided in sections 342.42 to 342.56. Notwithstanding
97.27 section 13.09, a violation of this paragraph is a gross misdemeanor.

97.28 (f) No information contained in a report or document, contained in the registry, or
97.29 obtained from a patient under sections 342.42 to 342.56 may be admitted as evidence in a
97.30 criminal proceeding, unless:

97.31 (1) the information is independently obtained; or

97.32 (2) admission of the information is sought in a criminal proceeding involving a criminal
97.33 violation of sections 342.42 to 342.56.

98.1 (g) An attorney must not be subject to disciplinary action by the Minnesota Supreme
 98.2 Court or professional responsibility board for providing legal assistance to prospective or
 98.3 licensed medical cannabis businesses or others for activities that do not violate this chapter
 98.4 or chapter 152.

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

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

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

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

98.12 Subd. 3. **School enrollment; rental property.** (a) No school may refuse to enroll a
 98.13 patient as a pupil or otherwise penalize a patient solely because the patient is enrolled in
 98.14 the registry program, unless failing to do so would violate federal law or regulations or
 98.15 cause the school to lose a monetary or licensing-related benefit under federal law or
 98.16 regulations.

98.17 (b) No landlord may refuse to lease to a patient or otherwise penalize a patient solely
 98.18 because the patient is enrolled in the registry program, unless failing to do so would violate
 98.19 federal law or regulations or cause the landlord to lose a monetary or licensing-related
 98.20 benefit under federal law or regulations.

98.21 Subd. 4. **Medical care.** For purposes of medical care, including organ transplants, a
 98.22 patient's use of medical cannabis according to sections 342.42 to 342.56 is considered the
 98.23 equivalent of the authorized use of a medication used at the discretion of a health care
 98.24 practitioner and does not disqualify a patient from needed medical care.

98.25 Subd. 5. **Employment.** (a) Unless a failure to do so would violate federal or state law
 98.26 or regulations or cause an employer to lose a monetary or licensing-related benefit under
 98.27 federal law or regulations, an employer may not discriminate against a person in hiring,
 98.28 termination, or any term or condition of employment, or otherwise penalize a person, if the
 98.29 discrimination is based on:

98.30 (1) the person's status as a patient enrolled in the registry program; or

98.31 (2) a patient's positive drug test for cannabis components or metabolites, unless the
 98.32 patient used, possessed, sold, transported, or was impaired by medical cannabis flower or

99.1 a medical cannabinoid product on work premises, during working hours, or while operating
 99.2 an employer's machinery, vehicle, or equipment.

99.3 (b) An employee who is a patient and whose employer requires the employee to undergo
 99.4 drug testing according to section 181.953 may present the employee's registry verification
 99.5 as part of the employee's explanation under section 181.953, subdivision 6.

99.6 Subd. 6. **Custody; visitation; parenting time.** A person must not be denied custody of
 99.7 a minor child or visitation rights or parenting time with a minor child based solely on the
 99.8 person's status as a patient enrolled in the registry program. There must be no presumption
 99.9 of neglect or child endangerment for conduct allowed under sections 342.42 to 342.56,
 99.10 unless the person's behavior creates an unreasonable danger to the safety of the minor as
 99.11 established by clear and convincing evidence.

99.12 Subd. 7. **Action for damages.** In addition to any other remedy provided by law, a patient
 99.13 may bring an action for damages against any person who violates subdivision 3, 4, or 5. A
 99.14 person who violates subdivision 3, 4, or 5 is liable to a patient injured by the violation for
 99.15 the greater of the person's actual damages or a civil penalty of \$100 and reasonable attorney
 99.16 fees.

99.17 **EFFECTIVE DATE.** This section is effective January 1, 2024.

99.18 Sec. 52. **[342.54] VIOLATION BY HEALTH CARE PRACTITIONER; CRIMINAL**
 99.19 **PENALTY.**

99.20 A health care practitioner who knowingly refers patients to a medical cannabis business
 99.21 or to a designated caregiver, who advertises as a retailer or producer of medical cannabis
 99.22 flower or medical cannabinoid products, or who issues certifications while holding a financial
 99.23 interest in a cannabis retailer or medical cannabis business is guilty of a misdemeanor and
 99.24 may be sentenced to imprisonment for not more than 90 days or to payment of not more
 99.25 than \$1,000, or both.

99.26 **EFFECTIVE DATE.** This section is effective January 1, 2024.

99.27 Sec. 53. **[342.55] DATA PRACTICES.**

99.28 Subdivision 1. **Data classification.** Patient health records maintained by the Office of
 99.29 Cannabis Management or the Division of Medical Cannabis and government data in patient
 99.30 health records maintained by a health care practitioner are classified as private data on
 99.31 individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in
 99.32 section 13.02, subdivision 9.

100.1 Subd. 2. Allowable use; prohibited use. Data specified in subdivision 1 may be used
 100.2 to comply with chapter 13, to comply with a request from the legislative auditor or the state
 100.3 auditor in the performance of official duties, and for purposes specified in sections 342.42
 100.4 to 342.56. Data specified in subdivision 1 and maintained by the Office of Cannabis
 100.5 Management or Division of Medical Cannabis must not be used for any purpose not specified
 100.6 in sections 342.42 to 342.56 and must not be combined or linked in any manner with any
 100.7 other list, dataset, or database. Data specified in subdivision 1 must not be shared with any
 100.8 federal agency, federal department, or federal entity unless specifically ordered to do so by
 100.9 a state or federal court.

100.10 **EFFECTIVE DATE.** This section is effective January 1, 2024.

100.11 Sec. 54. **[342.56] CLINICAL TRIALS.**

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

100.20 **EFFECTIVE DATE.** This section is effective January 1, 2024.

100.21 Sec. 55. **[342.60] TESTING.**

100.22 Subdivision 1. **Testing required.** A cannabis business shall not sell or offer for sale
 100.23 cannabis flower, cannabinoid products, artificially derived cannabinoids, or hemp-derived
 100.24 consumer products to another cannabis business or to a customer or patient, or otherwise
 100.25 transfer cannabis flower, cannabinoid products, artificially derived cannabinoids, or
 100.26 hemp-derived consumer products to another cannabis business, unless:

100.27 (1) a representative sample of the batch of cannabis flower, cannabinoid product,
 100.28 artificially derived cannabinoid, or hemp-derived consumer product has been tested according
 100.29 to this section and rules adopted under this chapter;

100.30 (2) the testing was completed by a cannabis testing facility licensed under this chapter;
 100.31 and

101.1 (3) the tested sample of cannabis flower, cannabinoid product, artificially derived
101.2 cannabinoid, or hemp-derived consumer product was found to meet testing standards
101.3 established by the office.

101.4 Subd. 2. **Procedures and standards established by office.** (a) The office shall by rule
101.5 establish procedures governing the sampling, handling, testing, storage, and transportation
101.6 of cannabis flower, cannabinoid products, artificially derived cannabinoids, and hemp-derived
101.7 consumer products tested under this section; the contaminants for which cannabis flower,
101.8 cannabinoid products, artificially derived cannabinoids, and hemp-derived consumer products
101.9 must be tested; standards for potency and homogeneity testing; and procedures applicable
101.10 to cannabis businesses and cannabis testing facilities regarding cannabis flower, cannabinoid
101.11 products, artificially derived cannabinoids, and hemp-derived consumer products that fail
101.12 to meet the standards for allowable levels of contaminants established by the office, that
101.13 fail to meet the potency limits in this chapter or that do not conform with the content of the
101.14 cannabinoid profile listed on the label.

101.15 (b) All testing required under this section must be performed in a manner that is consistent
101.16 with general requirements for testing and calibration activities.

101.17 Subd. 3. **Standards established by Office of Cannabis Management.** The office shall
101.18 by rule establish standards for allowable levels of contaminants in cannabis flower,
101.19 cannabinoid products, artificially derived cannabinoids, hemp-derived consumer products,
101.20 and growing media. Contaminants for which the office must establish allowable levels must
101.21 include but are not limited to residual solvents, foreign material, microbiological
101.22 contaminants, heavy metals, pesticide residue, and mycotoxins.

101.23 Subd. 4. **Testing of samples; disclosures.** (a) On a schedule determined by the office,
101.24 every cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement
101.25 to import products, cannabis microbusiness, or medical cannabis business shall make each
101.26 batch of cannabis flower, cannabinoid products, artificially derived cannabinoids, or
101.27 hemp-derived consumer products grown, manufactured, or imported by the cannabis
101.28 cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import
101.29 products, cannabis microbusiness, or medical cannabis business available to a cannabis
101.30 testing facility.

101.31 (b) A cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an
101.32 endorsement to import products, cannabis microbusiness, or medical cannabis business
101.33 must disclose all known information regarding pesticides, fertilizers, solvents, or other
101.34 foreign materials, including but not limited to catalysts used in creating artificially derived

102.1 cannabinoids, applied or added to the batch of cannabis flower, cannabinoid products,
 102.2 artificially derived cannabinoids, or hemp-derived consumer products subject to testing.
 102.3 Disclosure must be made to the cannabis testing facility and must include information about
 102.4 all applications by any person, whether intentional or accidental.

102.5 (c) The cannabis testing facility shall select one or more representative samples from
 102.6 each batch, test the samples for the presence of contaminants, and test the samples for
 102.7 potency and homogeneity and to allow the cannabis flower, cannabinoid product, artificially
 102.8 derived cannabinoid, or hemp-derived consumer product to be accurately labeled with its
 102.9 cannabinoid profile. Testing for contaminants must include testing for residual solvents,
 102.10 foreign material, microbiological contaminants, heavy metals, pesticide residue, mycotoxins,
 102.11 and any items identified pursuant to paragraph (b), and may include testing for other
 102.12 contaminants. A cannabis testing facility must destroy or return to the cannabis cultivator,
 102.13 cannabis manufacturer, cannabis wholesaler with an endorsement to import products,
 102.14 cannabis microbusiness, or medical cannabis business any part of the sample that remains
 102.15 after testing.

102.16 Subd. 5. **Test results.** (a) If a sample meets the applicable testing standards, a cannabis
 102.17 testing facility shall issue a certification to a cannabis cultivator, cannabis manufacturer,
 102.18 cannabis wholesaler with an endorsement to import products, cannabis microbusiness, or
 102.19 medical cannabis business, and the cannabis cultivator, cannabis manufacturer, cannabis
 102.20 wholesaler with an endorsement to import products, cannabis microbusiness, or medical
 102.21 cannabis business may then sell or transfer the batch of cannabis flower, cannabinoid
 102.22 products, artificially derived cannabinoids, or hemp-derived consumer products from which
 102.23 the sample was taken to another cannabis business or offer the cannabis flower, cannabinoid
 102.24 products, or hemp-derived consumer products for sale to customers or patients. If a sample
 102.25 does not meet the applicable testing standards or if the testing facility is unable to test for
 102.26 a substance identified pursuant to subdivision 4, paragraph (b), the batch from which the
 102.27 sample was taken shall be subject to procedures established by the office for such batches,
 102.28 including destruction, remediation, or retesting. A cannabis cultivator, cannabis manufacturer,
 102.29 cannabis wholesaler with an endorsement to import products, cannabis microbusiness, or
 102.30 medical cannabis business must maintain the test results for cannabis flower, cannabinoid
 102.31 products, artificially derived cannabinoids, or hemp-derived consumer products grown,
 102.32 manufactured, or imported by that cannabis cultivator, cannabis manufacturer, cannabis
 102.33 wholesaler with an endorsement to import products, cannabis microbusiness, or medical
 102.34 cannabis business for at least five years after the date of testing.

103.1 (b) A cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an
 103.2 endorsement to import products, cannabis microbusiness, or medical cannabis business
 103.3 shall make test results maintained by that cannabis cultivator, cannabis manufacturer,
 103.4 cannabis wholesaler with an endorsement to import products, cannabis microbusiness, or
 103.5 medical cannabis business available for review by any member of the public, upon request.
 103.6 Test results made available to the public must be in plain language.

103.7 Sec. 56. [342.62] PACKAGING.

103.8 Subdivision 1. General. All cannabis flower, cannabinoid products, and hemp-derived
 103.9 consumer products sold to customers or patients must be packaged as required by this section
 103.10 and rules adopted under this chapter.

103.11 Subd. 2. Packaging requirements. (a) Except as provided in paragraph (b), all cannabis
 103.12 flower, cannabinoid products, and hemp-derived consumer products sold to customers or
 103.13 patients must be:

103.14 (1) prepackaged in packaging or a container that is plain, child-resistant, tamper-evident,
 103.15 and opaque; or

103.16 (2) placed in packaging or a container that is plain, child-resistant, tamper-evident, and
 103.17 opaque at the final point of sale to a customer.

103.18 (b) The requirement that packaging be child-resistant does not apply to:

103.19 (1) a hemp-derived topical product; or

103.20 (2) a lower potency edible product that:

103.21 (i) is intended to be consumed as a beverage;

103.22 (ii) contains nonintoxicating cannabinoids;

103.23 (iii) does not contain more than a combined total of 0.25 milligrams of intoxicating
 103.24 cannabinoids; and

103.25 (iv) does not contain an artificially derived cannabinoid.

103.26 (c) If a cannabinoid product or a hemp-derived consumer product is packaged in a manner
 103.27 that includes more than a single serving, each serving must be indicated by scoring, wrapping,
 103.28 or other indicators designating the individual serving size. If the item is a lower potency
 103.29 edible product, any indicator other than individual wrapping that designates the individual
 103.30 serving size must appear on the edible cannabinoid product.

104.1 (d) An edible cannabinoid product containing more than a single serving must be
104.2 prepackaged or placed at the final point of sale in packaging or a container that is resealable.

104.3 Subd. 3. **Packaging prohibitions.** (a) Cannabis flower, cannabinoid products, or
104.4 hemp-derived consumer products sold to customers or patients must not be packaged in a
104.5 manner that:

104.6 (1) bears a reasonable resemblance to any commercially available product that does not
104.7 contain cannabinoids, whether the manufacturer of the product holds a registered trademark
104.8 or has registered the trade dress; or

104.9 (2) is designed to appeal to persons under 21 years of age.

104.10 (b) Packaging for cannabis flower, cannabinoid products, and hemp-derived consumer
104.11 products must not contain or be coated with any perfluoroalkyl substance.

104.12 (c) Edible cannabinoid products must not be packaged in a material that is not approved
104.13 by the United States Food and Drug Administration for use in packaging food.

104.14 Sec. 57. **[342.64] LABELING.**

104.15 Subdivision 1. **General.** All cannabis flower, cannabinoid products, and hemp-derived
104.16 consumer products sold to customers or patients must be labeled as required by this section
104.17 and rules adopted under this chapter.

104.18 Subd. 2. **Content of label; cannabis.** All cannabis flower and hemp-derived consumer
104.19 products that consist of hemp plant parts sold to customers or patients must have affixed
104.20 on the packaging or container of the cannabis flower or hemp-derived consumer product a
104.21 label that contains at least the following information:

104.22 (1) the name and license number of the cannabis cultivator, cannabis microbusiness,
104.23 medical cannabis cultivator, or industrial hemp grower where the cannabis flower or hemp
104.24 plant part was cultivated;

104.25 (2) the net weight or volume of cannabis flower or hemp plant parts in the package or
104.26 container;

104.27 (3) the batch number;

104.28 (4) the cannabinoid profile;

104.29 (5) a universal symbol established by the office indicating that the package or container
104.30 contains cannabis flower, a cannabis product, or a hemp-derived consumer product;

105.1 (6) verification that the cannabis flower or hemp plant part was tested according to
 105.2 section 342.60 and that the cannabis flower or hemp plant part complies with the applicable
 105.3 standards;

105.4 (7) the maximum dose, quantity, or consumption that may be considered medically safe
 105.5 within a 24-hour period;

105.6 (8) the following statement: "Keep this product out of reach of children."; and

105.7 (9) any other statements or information required by the office.

105.8 Subd. 3. **Content of label; cannabinoid products.** (a) All cannabinoid products and
 105.9 hemp-derived consumer products other than products subject to the requirements under
 105.10 subdivision 2 and hemp-derived topical products sold to customers or patients must have
 105.11 affixed to the packaging or container of the cannabis product a label that contains at least
 105.12 the following information:

105.13 (1) the name and license number of the cannabis cultivator, cannabis microbusiness,
 105.14 medical cannabis cultivator, or industrial hemp grower that cultivated the cannabis flower
 105.15 or hemp plant parts used in the cannabinoid product;

105.16 (2) the name and license number of the cannabis manufacturer, cannabis microbusiness,
 105.17 or medical cannabis business that manufactured the cannabis concentrate or artificially
 105.18 derived cannabinoid and if different, the name and license number of the cannabis
 105.19 manufacturer, cannabis microbusiness, or medical cannabis business that manufactured the
 105.20 cannabinoid product;

105.21 (3) the net weight or volume of the cannabinoid product or hemp-derived consumer
 105.22 product in the package or container;

105.23 (4) the type of cannabinoid product or hemp-derived consumer product;

105.24 (5) the batch number;

105.25 (6) the serving size;

105.26 (7) the cannabinoid profile per serving and in total;

105.27 (8) a list of ingredients;

105.28 (9) a universal symbol established by the office indicating that the package or container
 105.29 contains cannabis flower, a cannabis product, or a hemp-derived consumer product;

106.1 (10) verification that the cannabinoid product or hemp-derived consumer product was
106.2 tested according to section 342.60 and that the cannabinoid product or hemp-derived
106.3 consumer product complies with the applicable standards;

106.4 (11) the maximum dose, quantity, or consumption that may be considered medically
106.5 safe within a 24-hour period;

106.6 (12) the following statement: "Keep this product out of reach of children."; and

106.7 (13) any other statements or information required by the office.

106.8 (b) The office may by rule establish alternative labeling requirements for lower potency
106.9 edible products that are imported into the state provided that those requirements provide
106.10 consumers with information that is substantially similar to the information described in
106.11 paragraph (a).

106.12 **Subd. 4. Additional content of label; medical cannabis flower and medical**
106.13 **cannabinoid products.** In addition to the applicable requirements for labeling under
106.14 subdivision 2 or 3, all medical cannabis flower and medical cannabinoid products must
106.15 include at least the following information on the label affixed to the packaging or container
106.16 of the medical cannabis flower or medical cannabinoid product:

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

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

106.21 (3) the patient's registry identification number.

106.22 **Subd. 5. Content of label; hemp-derived topical products.** (a) All hemp-derived topical
106.23 products sold to customers must have affixed to the packaging or container of the product
106.24 a label that contains at least the following information:

106.25 (1) the manufacturer name, location, phone number, and website;

106.26 (2) the name and address of the independent, accredited laboratory used by the
106.27 manufacturer to test the product;

106.28 (3) the net weight or volume of the product in the package or container;

106.29 (4) the type of topical product;

106.30 (5) the amount or percentage of cannabidiol or any other cannabinoid, derivative, or
106.31 extract of hemp, per serving and in total;

107.1 (6) a list of ingredients;

107.2 (7) a statement that the product does not claim to diagnose, treat, cure, or prevent any
107.3 disease and that the product has not been evaluated or approved by the United States Food
107.4 and Drug Administration, unless the product has been so approved; and

107.5 (8) any other statements or information required by the office.

107.6 (b) The information required in paragraph (a), clauses (1), (2), and (5), may be provided
107.7 through the use of a scannable barcode or matrix barcode that links to a page on a website
107.8 maintained by the manufacturer or distributor if that page contains all of the information
107.9 required by this subdivision.

107.10 Subd. 6. **Additional information.** A cannabis retailer, cannabis microbusiness, or
107.11 medical cannabis retailer may provide customers and patients with the following information
107.12 by including the information on the label affixed to the packaging or container of cannabis
107.13 flower, a cannabinoid product, or a hemp-derived consumer product; by posting the
107.14 information in the premises of the cannabis retailer, cannabis microbusiness, or medical
107.15 cannabis retailer; by providing the information on a separate document or pamphlet provided
107.16 to customers or patients when the customer purchases cannabis flower, a cannabinoid
107.17 product, or a hemp-derived consumer product:

107.18 (1) factual information about impairment effects and the expected timing of impairment
107.19 effects, side effects, adverse effects, and health risks of cannabis flower, cannabinoid
107.20 products, and hemp-derived consumer products;

107.21 (2) a statement that customers and patients must not operate a motor vehicle or heavy
107.22 machinery while under the influence of cannabis flower or a cannabinoid product;

107.23 (3) resources customers and patients may consult to answer questions about cannabis
107.24 flower, cannabinoid products, hemp-derived consumer products, and any side effects and
107.25 adverse effects;

107.26 (4) contact information for the poison control center and a safety hotline or website for
107.27 customers to report and obtain advice about side effects and adverse effects of cannabis
107.28 flower and cannabinoid products; and

107.29 (5) any other information specified by the office.

107.30 Sec. 58. **[342.66] ADVERTISEMENT.**

107.31 Subdivision 1. **Limitations applicable to all advertisements.** No cannabis business or
107.32 other person shall publish or cause to be published an advertisement for cannabis flower, a

- 108.1 cannabis business, a cannabinoid product, or a hemp-derived consumer product in a manner
108.2 that:
- 108.3 (1) contains false or misleading statements;
- 108.4 (2) contains unverified claims about the health or therapeutic benefits or effects of
108.5 consuming cannabis or a cannabis product;
- 108.6 (3) promotes the overconsumption of cannabis flower, cannabinoid products, or
108.7 hemp-derived consumer products;
- 108.8 (4) depicts a person under 21 years of age consuming cannabis flower, cannabinoid
108.9 products, or hemp-derived consumer products; or
- 108.10 (5) includes an image designed or likely to appeal to individuals under 21 years of age,
108.11 including cartoons, toys, animals, or children, or any other likeness to images, characters,
108.12 or phrases that is designed to be appealing to individuals under 21 years of age or encourage
108.13 consumption by individuals under 21 years of age.

108.14 Subd. 2. **Outdoor advertisements; cannabis business signs.** (a) An outdoor
108.15 advertisement of cannabis flower, a cannabis business, a cannabinoid product, or a
108.16 hemp-derived consumer product is prohibited.

108.17 (b) A cannabis business may erect up to two fixed outdoor signs on the exterior of the
108.18 building or property of the cannabis business. A fixed outdoor sign:

108.19 (1) may contain the name of the cannabis business and the address and nature of the
108.20 cannabis business; and

108.21 (2) shall not include a logo or an image of any kind.

108.22 Subd. 3. **Audience under 21 years of age.** A cannabis business or other person shall
108.23 not publish or cause to be published an advertisement for cannabis flower, a cannabis
108.24 business, a cannabinoid product, or a hemp-derived consumer product in any print publication
108.25 or on radio, television, or any other medium if 30 percent or more of the audience of that
108.26 medium is reasonably expected to be individuals who are under 21 years of age, as
108.27 determined by reliable, current audience composition data.

108.28 Subd. 4. **Certain unsolicited advertising.** A cannabis business or another person shall
108.29 not utilize unsolicited pop-up advertisements on the internet to advertise cannabis flower,
108.30 a cannabis business, a cannabinoid product, or a hemp-derived consumer product.

108.31 Subd. 5. **Advertising using direct, individualized communication or dialogue.** Before
108.32 a cannabis business or another person may advertise cannabis flower, a cannabis business,

109.1 a cannabinoid product, or a hemp-derived consumer product through direct, individualized
109.2 communication or dialogue controlled by the cannabis business or other person, the cannabis
109.3 business or other person must use a method of age affirmation to verify that the recipient
109.4 of the direct, individualized communication or dialogue is 21 years of age or older. For
109.5 purposes of this subdivision, the method of age affirmation may include user confirmation,
109.6 birth date disclosure, or another similar registration method.

109.7 Subd. 6. **Advertising using location-based devices.** A cannabis business or another
109.8 person shall not advertise cannabis flower, a cannabis business, a cannabinoid product, or
109.9 a hemp-derived consumer product with advertising directed toward location-based devices,
109.10 including but not limited to cellular telephones, unless:

109.11 (1) the advertising occurs via a mobile device application that is installed on the device
109.12 by the device's owner and includes a permanent and easy to implement opt-out feature; and

109.13 (2) the owner of the device is 21 years of age or older.

109.14 Subd. 7. **Advertising restrictions for health care practitioners under the medical**
109.15 **cannabis program.** (a) A health care practitioner shall not publish or cause to be published
109.16 an advertisement that:

109.17 (1) contains false or misleading statements about the registry program;

109.18 (2) uses colloquial terms to refer to medical cannabis flower or medical cannabinoid
109.19 products, such as pot, weed, or grass;

109.20 (3) states or implies that the health care practitioner is endorsed by the office, the Division
109.21 of Medical Cannabis, or the registry program;

109.22 (4) includes images of cannabis flower, hemp plant parts, or images of paraphernalia
109.23 commonly used to smoke cannabis flower; or

109.24 (5) contains medical symbols that could reasonably be confused with symbols of
109.25 established medical associations or groups.

109.26 (b) A health care practitioner found by the office to have violated this subdivision is
109.27 prohibited from certifying that patients have a qualifying medical condition for purposes
109.28 of patient participation in the registry program. A decision by the office that a health care
109.29 practitioner has violated this subdivision is a final decision and is not subject to the contested
109.30 case procedures in chapter 14.

110.1 Sec. 59. **[342.68] INDUSTRIAL HEMP.**

110.2 Nothing in this chapter shall limit the ability of a person licensed under chapter 18K to
110.3 grow industrial hemp for commercial or research purposes, process industrial hemp for
110.4 commercial purposes, sell hemp fiber products and hemp grain, manufacture hemp-derived
110.5 topical products, or perform any other actions authorized by the commissioner of agriculture.
110.6 For purposes of this section, "processing" has the meaning given in section 18K.02,
110.7 subdivision 5, and does not include the process of creating artificially derived cannabinoids.

110.8 Sec. 60. **[342.69] HEMP-DERIVED TOPICAL PRODUCTS.**

110.9 Subdivision 1. **Scope.** This section applies to the manufacture, marketing, distribution,
110.10 and sale of hemp-derived topical products.

110.11 Subd. 2. **Approved cannabinoids.** (a) Products manufactured, marketed, distributed,
110.12 and sold under this section may contain cannabidiol. Except as provided in paragraph (c),
110.13 products may not contain any other cannabinoid unless approved by the office.

110.14 (b) The office may approve any cannabinoid, other than any tetrahydrocannabinol, and
110.15 authorize its use in manufacturing, marketing, distribution, and sales under this section if
110.16 the office determines that the cannabinoid is a nonintoxicating cannabinoid.

110.17 (c) A product manufactured, marketed, distributed, and sold under this section may
110.18 contain cannabinoids other than cannabidiol or any other cannabinoid approved by the
110.19 commissioner provided that the cannabinoids are naturally occurring in hemp plants or
110.20 hemp plant parts and the total of all other cannabinoids present in a product does not exceed
110.21 one milligram per package.

110.22 Subd. 3. **Approved products.** Products sold to consumers under this section may only
110.23 be manufactured, marketed, distributed, intended, or generally expected to be used by
110.24 applying the product externally to a part of the body of a human or animal.

110.25 Subd. 4. **Prohibitions.** (a) A product sold to consumers under this section must not be
110.26 manufactured, marketed, distributed, or intended:

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

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

110.30 (3) to be consumed by combustion or vaporization of the product and inhalation of
110.31 smoke, aerosol, or vapor from the product;

110.32 (4) to be consumed through chewing; or

111.1 (5) to be consumed through injection or application to a mucous membrane or nonintact
111.2 skin.

111.3 (b) A product manufactured, marketed, distributed, or sold to consumers under this
111.4 section must not:

111.5 (1) consist, in whole or in part, of any filthy, putrid, or decomposed substance;

111.6 (2) have been produced, prepared, packed, or held under unsanitary conditions where
111.7 the product may have been rendered injurious to health, or where the product may have
111.8 been contaminated with filth;

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

111.11 (4) contain any additives or excipients that have been found by the United States Food
111.12 and Drug Administration to be unsafe for human or animal consumption;

111.13 (5) contain a cannabinoid or an amount or percentage of cannabinoids that is different
111.14 than the information stated on the label;

111.15 (6) contain a cannabinoid, other than cannabidiol, cannabigerol, or a cannabinoid
111.16 approved by the commissioner, in an amount that exceeds the standard established in
111.17 subdivision 2, paragraph (c); or

111.18 (7) contain any contaminants for which testing is required by the commissioner in
111.19 amounts that exceed the acceptable minimum standards established by the commissioner.

111.20 (c) No product containing any cannabinoid may be sold to any individual who is under
111.21 21 years of age.

111.22 Subd. 5. **Enforcement.** The office may enforce this section under the relevant provisions
111.23 of section 342.18.

111.24 Sec. 61. **[342.71] CANNABIS INDUSTRY COMMUNITY RENEWAL GRANTS.**

111.25 Subdivision 1. **Establishment.** The Office of Cannabis Management shall establish
111.26 CanRenew, a program to award grants to eligible organizations for investments in
111.27 communities where long-term residents are eligible to be social equity applicants.

111.28 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
111.29 meanings given.

112.1 (b) "Community investment" means a project or program designed to improve
112.2 community-wide outcomes or experiences and may include efforts targeting economic
112.3 development, violence prevention, youth development, or civil legal aid, among others.

112.4 (c) "Eligible community" means a community where long-term residents are eligible to
112.5 be social equity applicants.

112.6 (d) "Eligible organization" means any organization able to make an investment in a
112.7 community where long-term residents are eligible to be social equity applicants and may
112.8 include educational institutions, nonprofit organizations, private businesses, community
112.9 groups, units of local government, or partnerships between different types of organizations.

112.10 (e) "Program" means the CanRenew grant program.

112.11 (f) "Social equity applicant" means a person who meets the qualification requirements
112.12 in section 342.16.

112.13 Subd. 3. **Grants to organizations.** (a) The office must award grants to eligible
112.14 organizations through a competitive grant process.

112.15 (b) To receive grant money, an eligible organization must submit a written application
112.16 to the office, using a form developed by the office, explaining the community investment
112.17 the organization wants to make in an eligible community.

112.18 (c) An eligible organization's grant application must also include:

112.19 (1) an analysis of the community's need for the proposed investment;

112.20 (2) a description of the positive impact that the proposed investment is expected to
112.21 generate for that community;

112.22 (3) any evidence of the organization's ability to successfully achieve that positive impact;

112.23 (4) any evidence of the organization's past success in making similar community
112.24 investments;

112.25 (5) an estimate of the cost of the proposed investment;

112.26 (6) the sources and amounts of any nonstate funds or in-kind contributions that will
112.27 supplement grant money; and

112.28 (7) any additional information requested by the office.

112.29 (d) In awarding grants under this subdivision, the office shall give weight to applications
112.30 from organizations that demonstrate a history of successful community investments,
112.31 particularly in geographic areas that are now eligible communities. The office shall also

113.1 give weight to applications where there is demonstrated community support for the proposed
 113.2 investment. The office shall fund investments in eligible communities throughout the state.

113.3 Subd. 4. **Program outreach.** The office shall make extensive efforts to publicize these
 113.4 grants, including through partnerships with community organizations, particularly those
 113.5 located in eligible communities.

113.6 Subd. 5. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,
 113.7 the office must submit a report to the chairs and ranking minority members of the committees
 113.8 of the house of representatives and the senate having jurisdiction over community
 113.9 development that details awards given through the CanRenew program and the use of grant
 113.10 money, including any measures of successful community impact from the grants.

113.11 Sec. 62. **[342.72] SUBSTANCE USE DISORDER TREATMENT AND PREVENTION**
 113.12 **GRANTS.**

113.13 Subdivision 1. **Account established; appropriation.** A substance use disorder treatment
 113.14 and prevention grant account is created in the special revenue fund. Money in the account,
 113.15 including interest earned, is appropriated to the office for the purposes specified in this
 113.16 section.

113.17 Subd. 2. **Acceptance of gifts and grants.** Notwithstanding sections 16A.013 to 16A.016,
 113.18 the office may accept money contributed by individuals and may apply for grants from
 113.19 charitable foundations to be used for the purposes identified in this section. The money
 113.20 accepted under this section must be deposited in the substance use disorder treatment and
 113.21 prevention grant account created under subdivision 1.

113.22 Subd. 3. **Disposition of money; grants.** (a) Money in the substance use disorder treatment
 113.23 and prevention grant account must be distributed as follows:

113.24 (1) 75 percent of the money is for grants for substance use disorder treatment, as defined
 113.25 in section 245G.01, subdivision 24, and may be used for substance use disorder treatment
 113.26 provider rate increases and programs to provide education and training to providers of
 113.27 substance use disorder treatment on the signs of substance use disorder and effective
 113.28 treatments for substance use disorder. The office shall consult with the commissioner of
 113.29 human services to determine appropriate provider rate increases or modifications to existing
 113.30 payment methodologies;

113.31 (2) 20 percent of the money is for grants for substance use disorder prevention; and

114.1 (3) five percent of the money is for grants to educate pregnant women, breastfeeding
114.2 women, and women who may become pregnant on the adverse health effects of substance
114.3 use.

114.4 (b) The office shall consult with the commissioner of human services, the commissioner
114.5 of health, and the Substance Use Disorder Advisory Council to develop an appropriate
114.6 application process, establish grant requirements, determine what organizations are eligible
114.7 to receive grants, and establish reporting requirements for grant recipients.

114.8 Subd. 4. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,
114.9 the office must submit a report to the chairs and ranking minority members of the committees
114.10 of the house of representatives and the senate having jurisdiction over health and human
114.11 services policy and finance that details grants awarded from the substance use disorder
114.12 treatment and prevention grant account, including the total amount awarded, total number
114.13 of recipients, and geographic distribution of those recipients.

114.14 Sec. 63. **[342.73] CANNABIS GROWER GRANTS.**

114.15 Subdivision 1. **Establishment.** The office, in consultation with the commissioner of
114.16 agriculture, shall establish CanGrow, a program to award grants to (1) eligible organizations
114.17 to help farmers navigate the regulatory structure of the legal cannabis industry, and (2)
114.18 nonprofit corporations to fund loans to farmers for expansion into the legal cannabis industry.

114.19 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
114.20 meanings given.

114.21 (b) "Eligible organization" means any organization capable of helping farmers navigate
114.22 the regulatory structure of the legal cannabis industry, particularly individuals facing barriers
114.23 to education or employment, and may include educational institutions, nonprofit
114.24 organizations, private businesses, community groups, units of local government, or
114.25 partnerships between different types of organizations.

114.26 (c) "Industry" means the legal cannabis industry in the state of Minnesota.

114.27 (d) "Program" means the CanGrow grant program.

114.28 (e) "Social equity applicant" means a person who meets the qualification requirements
114.29 in section 342.16.

114.30 Subd. 3. **Technical assistance grants.** (a) Grant money awarded to eligible organizations
114.31 may be used for both developing technical assistance resources relevant to the regulatory

115.1 structure of the legal cannabis industry and for providing such technical assistance or
115.2 navigation services to farmers.

115.3 (b) The office must award grants to eligible organizations through a competitive grant
115.4 process.

115.5 (c) To receive grant money, an eligible organization must submit a written application
115.6 to the office, using a form developed by the office, explaining the organization's ability to
115.7 assist farmers in navigating the regulatory structure of the legal cannabis industry, particularly
115.8 farmers facing barriers to education or employment.

115.9 (d) An eligible organization's grant application must also include:

115.10 (1) a description of the proposed technical assistance or navigation services, including
115.11 the types of farmers targeted for assistance;

115.12 (2) any evidence of the organization's past success in providing technical assistance or
115.13 navigation services to farmers, particularly farmers who live in areas where long-term
115.14 residents are eligible to be social equity applicants;

115.15 (3) an estimate of the cost of providing the technical assistance;

115.16 (4) the sources and amounts of any nonstate funds or in-kind contributions that will
115.17 supplement grant money, including any amounts that farmers will be charged to receive
115.18 assistance; and

115.19 (5) any additional information requested by the office.

115.20 (e) In awarding grants under this subdivision, the office shall give weight to applications
115.21 from organizations that demonstrate a history of successful technical assistance or navigation
115.22 services, particularly for farmers facing barriers to education or employment. The office
115.23 shall also give weight to applications where the proposed technical assistance will serve
115.24 areas where long-term residents are eligible to be social equity applicants. The office shall
115.25 fund technical assistance to farmers throughout the state.

115.26 Subd. 4. **Loan financing grants.** (a) The office shall establish a revolving loan account
115.27 to make loan financing grants under the CanGrow program.

115.28 (b) The office must award grants to nonprofit corporations through a competitive grant
115.29 process.

115.30 (c) To receive grant money, a nonprofit corporation must submit a written application
115.31 to the office using a form developed by the office.

116.1 (d) In awarding grants under this subdivision, the office shall give weight to whether
116.2 the nonprofit corporation:

116.3 (1) has a board of directors that includes individuals experienced in agricultural business
116.4 development;

116.5 (2) has the technical skills to analyze projects;

116.6 (3) is familiar with other available public and private funding sources and economic
116.7 development programs;

116.8 (4) can initiate and implement economic development projects;

116.9 (5) can establish and administer a revolving loan account; and

116.10 (6) has established relationships with communities where long-term residents are eligible
116.11 to be social equity applicants.

116.12 The office shall make grants that will help farmers enter the legal cannabis industry
116.13 throughout the state.

116.14 (e) A nonprofit corporation that receives grants under the program must:

116.15 (1) establish an office-certified revolving loan account for the purpose of making eligible
116.16 loans; and

116.17 (2) enter into an agreement with the office that the office shall fund loans that the
116.18 nonprofit corporation makes to farmers entering the legal cannabis industry. The office shall
116.19 review existing agreements with nonprofit corporations every five years and may renew or
116.20 terminate an agreement based on that review. In making this review, the office shall consider,
116.21 among other criteria, the criteria in paragraph (d).

116.22 Subd. 5. **Loans to farmers.** (a) The criteria in this subdivision apply to loans made by
116.23 nonprofit corporations under the program.

116.24 (b) A loan must be used to support a farmer in entering the legal cannabis industry.
116.25 Priority must be given to loans to businesses owned by farmers who are eligible to be social
116.26 equity applicants and businesses located in communities where long-term residents are
116.27 eligible to be social equity applicants.

116.28 (c) Loans must be made to businesses that are not likely to undertake the project for
116.29 which loans are sought without assistance from the program.

116.30 (d) The minimum state contribution to a loan is \$2,500 and the maximum is either:

116.31 (1) \$50,000; or

117.1 (2) \$150,000, if state contributions are matched by an equal or greater amount of new
117.2 private investment.

117.3 (e) Loan applications given preliminary approval by the nonprofit corporation must be
117.4 forwarded to the office for approval. The office must give final approval for each loan made
117.5 by the nonprofit corporation under the program.

117.6 (f) If the borrower has met lender criteria, including being current with all payments for
117.7 a minimum of three years, the office may approve either full or partial forgiveness of interest
117.8 or principal amounts.

117.9 Subd. 6. **Revolving loan account administration.** (a) The office shall establish a
117.10 minimum interest rate for loans or guarantees to ensure that necessary loan administration
117.11 costs are covered. The interest rate charged by a nonprofit corporation for a loan under this
117.12 section must not exceed the Wall Street Journal prime rate. For a loan under this section,
117.13 the nonprofit corporation may charge a loan origination fee equal to or less than one percent
117.14 of the loan value. The nonprofit corporation may retain the amount of the origination fee.

117.15 (b) Loan repayment of principal must be paid to the office for deposit in the revolving
117.16 loan account. Loan interest payments must be deposited in a revolving loan account created
117.17 by the nonprofit corporation originating the loan being repaid for further distribution or use,
117.18 consistent with the criteria of this section.

117.19 (c) Administrative expenses of the nonprofit corporations with whom the office enters
117.20 into agreements, including expenses incurred by a nonprofit corporation in providing
117.21 financial, technical, managerial, and marketing assistance to a business receiving a loan
117.22 under this section, are eligible program expenses that the office may agree to pay under the
117.23 grant agreement.

117.24 Subd. 7. **Program outreach.** The office shall make extensive efforts to publicize these
117.25 grants, including through partnerships with community organizations, particularly those
117.26 located in areas where long-term residents are eligible to be social equity applicants.

117.27 Subd. 8. **Reporting requirements.** (a) A nonprofit corporation that receives a grant
117.28 under subdivision 4 shall:

117.29 (1) submit an annual report to the office by January 15 of each year that the nonprofit
117.30 corporation participates in the program that includes a description of agricultural businesses
117.31 supported by the grant program, an account of loans made during the calendar year, the
117.32 program's impact on farmers' ability to expand into the legal cannabis industry, the source

118.1 and amount of money collected and distributed by the program, the program's assets and
 118.2 liabilities, and an explanation of administrative expenses; and

118.3 (2) provide for an independent annual audit to be performed in accordance with generally
 118.4 accepted accounting practices and auditing standards and submit a copy of each annual
 118.5 audit report to the office.

118.6 (b) By February 15, 2024, and each February 15 thereafter, the office must submit a
 118.7 report to the chairs and ranking minority members of the committees of the house of
 118.8 representatives and the senate having jurisdiction over agriculture that details awards given
 118.9 through the CanGrow program and the use of grant money, including any measures of
 118.10 success toward helping farmers enter the legal cannabis industry.

118.11 **Sec. 64. [342.79] SUBSTANCE USE DISORDER ADVISORY COUNCIL.**

118.12 Subdivision 1. **Establishment.** The Substance Use Disorder Advisory Council is
 118.13 established to develop and implement a comprehensive and effective statewide approach
 118.14 to substance use disorder prevention and treatment. The council shall:

118.15 (1) establish priorities to address public education and substance use disorder prevention
 118.16 and treatment needs;

118.17 (2) make recommendations to the legislature on the amount of money to be allocated
 118.18 for substance use disorder prevention and treatment initiatives;

118.19 (3) make recommendations to the commissioner of human services on grant and funding
 118.20 options for money appropriated from the general fund to the commissioner of human services
 118.21 for substance use disorder prevention and treatment;

118.22 (4) recommend to the commissioner of human services specific programs, projects, and
 118.23 initiatives to be funded; and

118.24 (5) consult with the commissioners of human services, health, and management and
 118.25 budget to develop measurable outcomes to determine the effectiveness of programs, projects,
 118.26 and initiatives funded.

118.27 Subd. 2. **Membership.** (a) The council shall consist of the following members, appointed
 118.28 by the commissioner of human services, except as otherwise specified:

118.29 (1) two members of the house of representatives, one from the majority party appointed
 118.30 by the speaker and one from the minority party appointed by the minority leader of the
 118.31 house of representatives;

119.1 (2) two members of the senate, one from the majority party appointed by the senate
119.2 majority leader and one from the minority party appointed by the senate minority leader;

119.3 (3) the commissioner of human services or a designee;

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

119.5 (5) two members representing substance use disorder treatment programs licensed under
119.6 chapter 245G;

119.7 (6) one public member who is a Minnesota resident and in recovery from a substance
119.8 use disorder;

119.9 (7) one public member who is a family member of a person with a substance use disorder;

119.10 (8) one member who is a physician with experience in substance use disorders;

119.11 (9) one member who is a licensed psychologist, licensed professional clinical counselor,
119.12 licensed marriage and family therapist, or licensed social worker;

119.13 (10) one member of each federally recognized Tribal Nation within the geographical
119.14 boundaries of the state of Minnesota;

119.15 (11) one mental health advocate representing persons with mental illness;

119.16 (12) one member representing county social services agencies;

119.17 (13) one patient advocate;

119.18 (14) a representative from a community that experienced a disproportionate, negative
119.19 impact from cannabis prohibition;

119.20 (15) one veteran; and

119.21 (16) one parent of a medical cannabis patient who is under age 21.

119.22 (b) The commissioner of human services shall coordinate appointments to ensure the
119.23 geographic diversity of council members and shall ensure that at least one-third of council
119.24 members reside outside of the seven-county metropolitan area.

119.25 (c) The council is governed by section 15.059, except that members of the council shall
119.26 receive no compensation other than reimbursement for expenses. Notwithstanding section
119.27 15.059, subdivision 6, the council shall not expire.

119.28 (d) The chair shall convene the council on a quarterly basis and may convene other
119.29 meetings as necessary. The chair shall convene meetings at different locations in the state
119.30 to provide geographic access to members of the public.

120.1 (e) The commissioner of human services shall provide staff and administrative services
120.2 for the advisory council.

120.3 (f) The council is subject to chapter 13D.

120.4 Subd. 3. **Report and grants.** (a) The commissioner of human services shall submit a
120.5 report of the grants and funding recommended by the advisory council to be awarded for
120.6 the upcoming fiscal year to the chairs and ranking minority members of the legislative
120.7 committees with jurisdiction over health and human services policy and finance by March
120.8 1 of each year, beginning March 1, 2024.

120.9 (b) When awarding grants, the commissioner of human services shall consider the
120.10 programs, projects, and initiatives recommended by the council that address the priorities
120.11 established by the council, unless otherwise appropriated by the legislature.

120.12 Sec. 65. [342.80] **LAWFUL ACTIVITIES.**

120.13 (a) Notwithstanding any law to the contrary, the cultivation, manufacturing, possessing,
120.14 and selling of cannabis flower, cannabinoid products, artificially derived cannabinoids, and
120.15 hemp-derived consumer products by a licensed cannabis business in conformity with the
120.16 rights granted by a cannabis business license is lawful and may not be the grounds for the
120.17 seizure or forfeiture of property, arrest or prosecution, or search or inspections except as
120.18 provided by this chapter.

120.19 (b) A person acting as an agent of a licensed cannabis retailer or licensed cannabis
120.20 microbusiness who sells or otherwise transfers cannabis flower, cannabinoid products, or
120.21 hemp-derived consumer products to a person under 21 years of age is not subject to arrest,
120.22 prosecution, or forfeiture of property if the person complied with section 342.27, subdivision
120.23 3, and any rules promulgated pursuant to this chapter.

120.24 Sec. 66. [342.81] **CIVIL ACTIONS.**

120.25 Subdivision 1. **Right of action.** A spouse, child, parent, guardian, employer, or other
120.26 person injured in person, property, or means of support or who incurs other pecuniary loss
120.27 by an intoxicated person or by the intoxication of another person, has a right of action in
120.28 the person's own name for all damages sustained against a person who caused the intoxication
120.29 of that person by illegally selling cannabis flower or cannabinoid products. All damages
120.30 recovered by a minor under this section must be paid either to the minor or to the minor's
120.31 parent, guardian, or next friend as the court directs.

121.1 Subd. 2. **Actions.** All suits for damages under this section must be by civil action in a
 121.2 court of this state having jurisdiction.

121.3 Subd. 3. **Comparative negligence.** Actions under this section are governed by section
 121.4 604.01.

121.5 Subd. 4. **Defense.** It is a defense for the defendant to prove by a preponderance of the
 121.6 evidence that the defendant reasonably and in good faith relied upon representations of
 121.7 proof of age in selling, bartering, furnishing, or giving the cannabis or cannabis product.

121.8 Subd. 5. **Subrogation claims denied.** There shall be no recovery by any insurance
 121.9 company against any cannabis retailer or cannabis microbusiness under subrogation clauses
 121.10 of the uninsured, underinsured, collision, or other first-party coverages of a motor vehicle
 121.11 insurance policy as a result of payments made by the company to persons who have claims
 121.12 that arise in whole or in part under this section. Section 65B.53, subdivision 3, does not
 121.13 apply to actions under this section.

121.14 Subd. 6. **Common law claims.** Nothing in this chapter precludes common law tort claims
 121.15 against any person 21 years old or older who knowingly provides or furnishes cannabis
 121.16 flower or cannabinoid products to a person under the age of 21 years.

121.17 Sec. 67. **SUBSTANCE USE DISORDER ADVISORY COUNCIL FIRST MEETING.**

121.18 The commissioner of human services shall convene the first meeting of the Substance
 121.19 Use Disorder Advisory Council established under Minnesota Statutes, section 342.79, no
 121.20 later than October 1, 2023. The members shall elect a chair at the first meeting.

121.21 Sec. 68. **EFFECTIVE DATE.**

121.22 Except as otherwise provided, each section of this article is effective July 1, 2023.

121.23 **ARTICLE 2**

121.24 **TAXES**

121.25 Section 1. Minnesota Statutes 2022, section 273.13, subdivision 24, is amended to read:

121.26 Subd. 24. **Class 3.** Commercial and industrial property and utility real and personal
 121.27 property is class 3a.

121.28 (1) Except as otherwise provided, each parcel of commercial, industrial, or utility real
 121.29 property has a classification rate of 1.5 percent of the first tier of market value, and 2.0
 121.30 percent of the remaining market value. In the case of contiguous parcels of property owned

122.1 by the same person or entity, only the value equal to the first-tier value of the contiguous
122.2 parcels qualifies for the reduced classification rate, except that contiguous parcels owned
122.3 by the same person or entity shall be eligible for the first-tier value classification rate on
122.4 each separate business operated by the owner of the property, provided the business is
122.5 housed in a separate structure. For the purposes of this subdivision, the first tier means the
122.6 first \$150,000 of market value. Real property owned in fee by a utility for transmission line
122.7 right-of-way shall be classified at the classification rate for the higher tier.

122.8 For purposes of this subdivision, parcels are considered to be contiguous even if they
122.9 are separated from each other by a road, street, waterway, or other similar intervening type
122.10 of property. Connections between parcels that consist of power lines or pipelines do not
122.11 cause the parcels to be contiguous. Property owners who have contiguous parcels of property
122.12 that constitute separate businesses that may qualify for the first-tier classification rate shall
122.13 notify the assessor by July 1, for treatment beginning in the following taxes payable year.

122.14 (2) All personal property that is: (i) part of an electric generation, transmission, or
122.15 distribution system; or (ii) part of a pipeline system transporting or distributing water, gas,
122.16 crude oil, or petroleum products; and (iii) not described in clause (3), and all railroad
122.17 operating property has a classification rate as provided under clause (1) for the first tier of
122.18 market value and the remaining market value. In the case of multiple parcels in one county
122.19 that are owned by one person or entity, only one first tier amount is eligible for the reduced
122.20 rate.

122.21 (3) The entire market value of personal property that is: (i) tools, implements, and
122.22 machinery of an electric generation, transmission, or distribution system; (ii) tools,
122.23 implements, and machinery of a pipeline system transporting or distributing water, gas,
122.24 crude oil, or petroleum products; or (iii) the mains and pipes used in the distribution of
122.25 steam or hot or chilled water for heating or cooling buildings, has a classification rate as
122.26 provided under clause (1) for the remaining market value in excess of the first tier.

122.27 (4) Property used for raising, cultivating, processing, or storing cannabis plants, cannabis
122.28 flower, or cannabinoid products for sale has a classification rate as provided under clause
122.29 (1) for the first tier of market value and the remaining market value. As used in this
122.30 paragraph, "cannabis plant" has the meaning given in section 342.01, subdivision 19;
122.31 "cannabis flower" has the meaning given in section 342.01, subdivision 16; "cannabinoid
122.32 product" has the meaning given in section 342.01, subdivision 12; and "lower potency edible
122.33 product" has the meaning given in section 342.01, subdivision 45.

123.1 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
 123.2 in 2024 and thereafter.

123.3 Sec. 2. Minnesota Statutes 2022, section 275.025, subdivision 2, is amended to read:

123.4 Subd. 2. **Commercial-industrial tax capacity.** For the purposes of this section,
 123.5 "commercial-industrial tax capacity" means the tax capacity of all taxable property classified
 123.6 as class 3 or class 5(1) under section 273.13, excluding:

123.7 (1) the tax capacity attributable to the first \$150,000 of market value of each parcel of
 123.8 commercial-industrial property as defined under section 273.13, subdivision 24, clauses (1)
 123.9 ~~and~~, (2), and (4);

123.10 (2) electric generation attached machinery under class 3; and

123.11 (3) property described in section 473.625.

123.12 County commercial-industrial tax capacity amounts are not adjusted for the captured
 123.13 net tax capacity of a tax increment financing district under section 469.177, subdivision 2,
 123.14 the net tax capacity of transmission lines deducted from a local government's total net tax
 123.15 capacity under section 273.425, or fiscal disparities contribution and distribution net tax
 123.16 capacities under chapter 276A or 473F. For purposes of this subdivision, the procedures
 123.17 for determining eligibility for tier 1 under section 273.13, subdivision 24, clauses (1) and
 123.18 (2), shall apply in determining the portion of a property eligible to be considered within the
 123.19 first \$150,000 of market value.

123.20 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable
 123.21 in 2024 and thereafter.

123.22 Sec. 3. **[289A.33] FILING REQUIREMENTS AND DUE DATES; SPECIAL RULES.**

123.23 A cannabis business as defined by section 342.01, subdivision 14, required to collect
 123.24 and remit the taxes imposed under section 295.81 or chapters 290 and 297A is not subject
 123.25 to the electronic remittance requirements imposed by this chapter. A cannabis business must
 123.26 file returns and remit taxes lawfully due in the form and manner prescribed by the
 123.27 commissioner of revenue.

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

123.29 Sec. 4. Minnesota Statutes 2022, section 290.0132, subdivision 29, is amended to read:

123.30 Subd. 29. **Disallowed section 280E expenses; ~~medical cannabis manufacturers~~**
 123.31 **licenses.** The amount of expenses of a medical cannabis ~~manufacturer~~ business, as defined

124.1 under section ~~152.22, subdivision 7~~ 342.01, subdivision 48, related to the business of medical
 124.2 cannabis under sections ~~152.21 to 152.37~~ 342.42 to 342.56, or a license holder under chapter
 124.3 342, related to the business of nonmedical cannabis under that chapter, and not allowed for
 124.4 federal income tax purposes under section 280E of the Internal Revenue Code is a subtraction.

124.5 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
 124.6 31, 2022.

124.7 Sec. 5. Minnesota Statutes 2022, section 290.0134, subdivision 19, is amended to read:

124.8 Subd. 19. **Disallowed section 280E expenses; medical cannabis manufacturers**
 124.9 **licensees.** The amount of expenses of a medical cannabis ~~manufacturer~~ business, as defined
 124.10 under section ~~152.22, subdivision 7~~ 342.01, subdivision 48, related to the business of medical
 124.11 cannabis under sections ~~152.21 to 152.37~~ 342.42 to 342.56, or a license holder under chapter
 124.12 342, related to the business of nonmedical cannabis under that chapter, and not allowed for
 124.13 federal income tax purposes under section 280E of the Internal Revenue Code is a subtraction.

124.14 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
 124.15 31, 2022.

124.16 Sec. 6. **[295.81] ADULT-USE CANNABIS FLOWER AND ADULT-USE**
 124.17 **CANNABINOID PRODUCTS GROSS RECEIPTS TAX.**

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

124.20 (b) "Adult-use cannabis flower" has the meaning given in section 342.01, subdivision
 124.21 4.

124.22 (c) "Adult-use cannabinoid product" has the meaning given in section 342.01, subdivision
 124.23 2, and includes adult-use cannabis concentrate as defined in section 342.01, subdivision 3.

124.24 (d) "Adult-use cannabis solution product" means any cartridge, bottle, or other package
 124.25 that contains adult-use cannabis flower or an adult-use cannabinoid product in a solution
 124.26 that is consumed or meant to be consumed through the use of a heating element, power
 124.27 source, electronic circuit, or other electronic, chemical, or mechanical means that produces
 124.28 vapor or aerosol. An adult-use cannabis solution product includes any electronic adult-use
 124.29 cannabis concentrate delivery system, electronic vaping device, electronic vape pen,
 124.30 electronic oral device, electronic delivery device, or similar product or device, and any
 124.31 batteries, heating elements, or other components, parts, or accessories sold with and meant

125.1 to be used in the consumption of a solution containing adult-use cannabis or an adult-use
125.2 cannabis product.

125.3 (e) "Cannabis microbusiness" means a cannabis business licensed under section 342.34.

125.4 (f) "Cannabis retailer" means a retailer that sells adult-use cannabis flower, adult-use
125.5 cannabinoid products, adult-use cannabis solution products, or lower potency edible products.

125.6 Cannabis retailer includes a:

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

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

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

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

125.13 (g) "Commissioner" means the commissioner of revenue.

125.14 (h) "Gross receipts" means the total amount received, in money or by barter or exchange,
125.15 for all adult-use cannabis flower, adult-use cannabinoid products, adult-use cannabis solution
125.16 products, or lower potency edible product sales at retail as measured by the sales price.

125.17 Gross receipts include but are not limited to delivery charges and packaging costs. Gross
125.18 receipts do not include:

125.19 (1) any taxes imposed directly on the customer that are separately stated on the invoice,
125.20 bill of sale, or similar document given to the purchaser; and

125.21 (2) discounts, including cash, terms, or coupons, that are not reimbursed by a third party
125.22 and that are allowed by the seller and taken by a purchaser on a sale.

125.23 (i) "lower potency edible product" has the meaning given in section 342.01, subdivision
125.24 45.

125.25 (j) "On-site sale" means the sale of adult-use cannabis or adult-use cannabinoid products
125.26 for consumption on the premises of a cannabis microbusiness or the sale of lower potency
125.27 edible products for consumption on the premises of a lower potency edible product retailer.

125.28 (k) "Retail sale" has the meaning given in section 297A.61, subdivision 4.

125.29 Subd. 2. **Gross receipts tax imposed.** (a) A tax equal to eight percent of gross receipts
125.30 from retail and on-site sales in Minnesota of adult-use cannabis flower, adult-use cannabinoid
125.31 products, adult-use cannabis solution products, and lower potency edible products is imposed

126.1 on any cannabis retailer, cannabis microbusiness, or lower potency edible product retailer
126.2 that sells these products to customers. A cannabis retailer, cannabis microbusiness, or lower
126.3 potency edible product retailer may but is not required to collect the tax imposed by this
126.4 section from the purchaser as long as the tax is separately stated on the receipt, invoice, bill
126.5 of sale, or similar document given to the purchaser.

126.6 (b) If a product subject to the tax imposed by this section is bundled in a single transaction
126.7 with a product or service that is not subject to the tax imposed by this section, the entire
126.8 sales price of the transaction is subject to the tax imposed by this section.

126.9 (c) The tax imposed under this section is in addition to any other tax imposed on the
126.10 sale or use of adult-use cannabis flower, adult-use cannabinoid products, adult-use cannabis
126.11 solution products, and lower potency edible products.

126.12 Subd. 3. **Use tax imposed; credit for taxes paid.** (a) A person that receives adult-use
126.13 cannabis flower, adult-use cannabinoid products, adult-use cannabis solution products, or
126.14 lower potency edible products for use or storage in Minnesota, other than from a cannabis
126.15 retailer, cannabis microbusiness, or lower potency edible product retailer that paid the tax
126.16 under subdivision 2, is subject to tax at the rate imposed under subdivision 2. Liability for
126.17 the tax is incurred when the person has possession of the adult-use cannabis flower, adult-use
126.18 cannabinoid product, or lower potency edible product in Minnesota. The tax must be remitted
126.19 to the commissioner in the same manner prescribed for taxes imposed under chapter 297A.

126.20 (b) A person that has paid taxes to another state or any subdivision thereof on the same
126.21 transaction and is subject to tax under this section is entitled to a credit for the tax legally
126.22 due and paid to another state or subdivision thereof to the extent of the lesser of (1) the tax
126.23 actually paid to the other state or subdivision thereof, or (2) the amount of tax imposed by
126.24 Minnesota on the transaction subject to tax in the other state or subdivision thereof.

126.25 Subd. 4. **Exemptions.** (a) The use tax imposed under subdivision 2, paragraph (b), does
126.26 not apply to the possession, use, or storage of adult-use cannabis flower, adult-use
126.27 cannabinoid products, adult-use cannabis solution products, or lower potency edible products
126.28 if (1) the adult-use cannabis flower, adult-use cannabinoid products, adult-use cannabis
126.29 solution products, or lower potency edible products have an aggregate cost in any calendar
126.30 month to the customer of \$100 or less, and (2) the adult-use cannabis flower, adult-use
126.31 cannabinoid products, adult-use cannabis solution products, or lower potency edible products
126.32 were carried into this state by the customer.

127.1 (b) The tax imposed under this section does not apply to sales of medical cannabis flower
127.2 and medical cannabinoid products purchased by or for the patients enrolled in the registry
127.3 program.

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

127.6 Subd. 5. **Tax collection required.** A cannabis retailer, cannabis microbusiness, or lower
127.7 potency edible retailer with nexus in Minnesota, who is not subject to tax under subdivision
127.8 2, is required to collect the tax imposed under subdivision 3 from the purchaser of the
127.9 adult-use cannabis flower, adult-use cannabinoid product, adult-use cannabis solution
127.10 product, or lower potency edible product and give the purchaser a receipt for the tax paid.
127.11 The tax collected must be remitted to the commissioner in the same manner prescribed for
127.12 the taxes imposed under chapter 207A.

127.13 Subd. 6. **Taxes paid to another state or any subdivision thereof; credit.** A cannabis
127.14 retailer, cannabis microbusiness, or lower potency edible retailer that has paid taxes to
127.15 another state or any subdivision thereof measured by gross receipts and is subject to tax
127.16 under this section on the same gross receipts is entitled to a credit for the tax legally due
127.17 and paid to another state or any subdivision thereof to the extent of the lesser of (1) the tax
127.18 actually paid to the other state or any subdivision thereof, or (2) the amount of tax imposed
127.19 by Minnesota on the gross receipts subject to tax in the other taxing state or any subdivision
127.20 thereof.

127.21 Subd. 7. **Sourcing of sales.** Section 297A.668 applies to the taxes imposed by this
127.22 section.

127.23 Subd. 8. **Administration.** Unless specifically provided otherwise, the audit, assessment,
127.24 refund, penalty, interest, enforcement, collection remedies, appeal, and administrative
127.25 provisions of chapters 270C and 289A that are applicable to taxes imposed under chapter
127.26 297A, except the requirement to file returns and remit taxes due electronically, apply to the
127.27 tax imposed under this section.

127.28 Subd. 9. **Returns; payment of tax.** (a) A cannabis retailer, cannabis microbusiness, or
127.29 lower potency edible product retailer must report the tax on a return prescribed by the
127.30 commissioner and must remit the tax in a form and manner prescribed by the commissioner.
127.31 The return and the tax must be filed and paid using the filing cycle and due dates provided
127.32 for taxes imposed under section 289A.20, subdivision 4, and chapter 297A.

127.33 (b) Interest must be paid on an overpayment refunded or credited to the taxpayer from
127.34 the date of payment of the tax until the date the refund is paid or credited. For purposes of

128.1 this subdivision, the date of payment is the due date of the return or the date of actual
128.2 payment of the tax, whichever is later.

128.3 Subd. 10. **Deposit of revenues.** The commissioner must deposit all revenues, including
128.4 penalties and interest, derived from the tax imposed by this section in the general fund.

128.5 Subd. 11. **Personal debt.** The tax imposed by this section, and interest and penalties
128.6 imposed with respect to it, are a personal debt of the person required to file a return from
128.7 the time that the liability for it arises, irrespective of when the time for payment of the
128.8 liability occurs. The debt must, in the case of the executor or administrator of the estate of
128.9 a decedent and in the case of a fiduciary, be that of the person in the person's official or
128.10 fiduciary capacity only, unless the person has voluntarily distributed the assets held in that
128.11 capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which
128.12 event the person is personally liable for any deficiency.

128.13 **EFFECTIVE DATE.** This section is effective for gross receipts received after December
128.14 31, 2023.

128.15 Sec. 7. Minnesota Statutes 2022, section 297A.61, subdivision 3, is amended to read:

128.16 **Subd. 3. Sale and purchase.** (a) "Sale" and "purchase" include, but are not limited to,
128.17 each of the transactions listed in this subdivision. In applying the provisions of this chapter,
128.18 the terms "tangible personal property" and "retail sale" include the taxable services listed
128.19 in paragraph (g), clause (6), items (i) to (vi) and (viii), and the provision of these taxable
128.20 services, unless specifically provided otherwise. Services performed by an employee for
128.21 an employer are not taxable. Services performed by a partnership or association for another
128.22 partnership or association are not taxable if one of the entities owns or controls more than
128.23 80 percent of the voting power of the equity interest in the other entity. Services performed
128.24 between members of an affiliated group of corporations are not taxable. For purposes of
128.25 the preceding sentence, "affiliated group of corporations" means those entities that would
128.26 be classified as members of an affiliated group as defined under United States Code, title
128.27 26, section 1504, disregarding the exclusions in section 1504(b).

128.28 (b) Sale and purchase include:

128.29 (1) any transfer of title or possession, or both, of tangible personal property, whether
128.30 absolutely or conditionally, for a consideration in money or by exchange or barter; and

128.31 (2) the leasing of or the granting of a license to use or consume, for a consideration in
128.32 money or by exchange or barter, tangible personal property, other than a manufactured
128.33 home used for residential purposes for a continuous period of 30 days or more.

129.1 (c) Sale and purchase include the production, fabrication, printing, or processing of
129.2 tangible personal property for a consideration for consumers who furnish either directly or
129.3 indirectly the materials used in the production, fabrication, printing, or processing.

129.4 (d) Sale and purchase include the preparing for a consideration of food. Notwithstanding
129.5 section 297A.67, subdivision 2, taxable food includes, but is not limited to, the following:

129.6 (1) prepared food sold by the retailer;

129.7 (2) soft drinks;

129.8 (3) candy; and

129.9 (4) dietary supplements.

129.10 (e) A sale and a purchase includes the furnishing for a consideration of electricity, gas,
129.11 water, or steam for use or consumption within this state.

129.12 (f) A sale and a purchase includes the transfer for a consideration of prewritten computer
129.13 software whether delivered electronically, by load and leave, or otherwise.

129.14 (g) A sale and a purchase includes the furnishing for a consideration of the following
129.15 services:

129.16 (1) the privilege of admission to places of amusement, recreational areas, or athletic
129.17 events, and the making available of amusement devices, tanning facilities, reducing salons,
129.18 steam baths, health clubs, and spas or athletic facilities;

129.19 (2) lodging and related services by a hotel, rooming house, resort, campground, motel,
129.20 or trailer camp, including furnishing the guest of the facility with access to telecommunication
129.21 services, and the granting of any similar license to use real property in a specific facility,
129.22 other than the renting or leasing of it for a continuous period of 30 days or more under an
129.23 enforceable written agreement that may not be terminated without prior notice and including
129.24 accommodations intermediary services provided in connection with other services provided
129.25 under this clause;

129.26 (3) nonresidential parking services, whether on a contractual, hourly, or other periodic
129.27 basis, except for parking at a meter;

129.28 (4) the granting of membership in a club, association, or other organization if:

129.29 (i) the club, association, or other organization makes available for the use of its members
129.30 sports and athletic facilities, without regard to whether a separate charge is assessed for use
129.31 of the facilities; and

130.1 (ii) use of the sports and athletic facility is not made available to the general public on
130.2 the same basis as it is made available to members.

130.3 Granting of membership means both onetime initiation fees and periodic membership dues.
130.4 Sports and athletic facilities include golf courses; tennis, racquetball, handball, and squash
130.5 courts; basketball and volleyball facilities; running tracks; exercise equipment; swimming
130.6 pools; and other similar athletic or sports facilities;

130.7 (5) delivery of aggregate materials by a third party, excluding delivery of aggregate
130.8 material used in road construction; and delivery of concrete block by a third party if the
130.9 delivery would be subject to the sales tax if provided by the seller of the concrete block.
130.10 For purposes of this clause, "road construction" means construction of:

130.11 (i) public roads;

130.12 (ii) cartways; and

130.13 (iii) private roads in townships located outside of the seven-county metropolitan area
130.14 up to the point of the emergency response location sign; and

130.15 (6) services as provided in this clause:

130.16 (i) laundry and dry cleaning services including cleaning, pressing, repairing, altering,
130.17 and storing clothes, linen services and supply, cleaning and blocking hats, and carpet,
130.18 drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not
130.19 include services provided by coin operated facilities operated by the customer;

130.20 (ii) motor vehicle washing, waxing, and cleaning services, including services provided
130.21 by coin operated facilities operated by the customer, and rustproofing, undercoating, and
130.22 towing of motor vehicles;

130.23 (iii) building and residential cleaning, maintenance, and disinfecting services and pest
130.24 control and exterminating services;

130.25 (iv) detective, security, burglar, fire alarm, and armored car services; but not including
130.26 services performed within the jurisdiction they serve by off-duty licensed peace officers as
130.27 defined in section 626.84, subdivision 1, or services provided by a nonprofit organization
130.28 or any organization at the direction of a county for monitoring and electronic surveillance
130.29 of persons placed on in-home detention pursuant to court order or under the direction of the
130.30 Minnesota Department of Corrections;

130.31 (v) pet grooming services;

131.1 (vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting
131.2 and maintenance; tree, bush, and shrub pruning, bracing, spraying, and surgery; indoor plant
131.3 care; tree, bush, shrub, and stump removal, except when performed as part of a land clearing
131.4 contract as defined in section 297A.68, subdivision 40; and tree trimming for public utility
131.5 lines. Services performed under a construction contract for the installation of shrubbery,
131.6 plants, sod, trees, bushes, and similar items are not taxable;

131.7 (vii) massages, except when provided by a licensed health care facility or professional
131.8 or upon written referral from a licensed health care facility or professional for treatment of
131.9 illness, injury, or disease; and

131.10 (viii) the furnishing of lodging, board, and care services for animals in kennels and other
131.11 similar arrangements, but excluding veterinary and horse boarding services.

131.12 (h) A sale and a purchase includes the furnishing for a consideration of tangible personal
131.13 property or taxable services by the United States or any of its agencies or instrumentalities,
131.14 or the state of Minnesota, its agencies, instrumentalities, or political subdivisions.

131.15 (i) A sale and a purchase includes the furnishing for a consideration of
131.16 telecommunications services, ancillary services associated with telecommunication services,
131.17 and pay television services. Telecommunication services include, but are not limited to, the
131.18 following services, as defined in section 297A.669: air-to-ground radiotelephone service,
131.19 mobile telecommunication service, postpaid calling service, prepaid calling service, prepaid
131.20 wireless calling service, and private communication services. The services in this paragraph
131.21 are taxed to the extent allowed under federal law.

131.22 (j) A sale and a purchase includes the furnishing for a consideration of installation if the
131.23 installation charges would be subject to the sales tax if the installation were provided by
131.24 the seller of the item being installed.

131.25 (k) A sale and a purchase includes the rental of a vehicle by a motor vehicle dealer to a
131.26 customer when (1) the vehicle is rented by the customer for a consideration, or (2) the motor
131.27 vehicle dealer is reimbursed pursuant to a service contract as defined in section 59B.02,
131.28 subdivision 11.

131.29 (l) A sale and a purchase includes furnishing for a consideration of specified digital
131.30 products or other digital products or granting the right for a consideration to use specified
131.31 digital products or other digital products on a temporary or permanent basis and regardless
131.32 of whether the purchaser is required to make continued payments for such right. Wherever
131.33 the term "tangible personal property" is used in this chapter, other than in subdivisions 10

132.1 and 38, the provisions also apply to specified digital products, or other digital products,
132.2 unless specifically provided otherwise or the context indicates otherwise.

132.3 (m) The sale of the privilege of admission under section 297A.61, subdivision 3,
132.4 paragraph (g), clause (1), to a place of amusement, recreational area, or athletic event
132.5 includes all charges included in the privilege of admission's sales price, without deduction
132.6 for amenities that may be provided, unless the amenities are separately stated and the
132.7 purchaser of the privilege of admission is entitled to add or decline the amenities, and the
132.8 amenities are not otherwise taxable.

132.9 (n) A sale and purchase includes the sale and purchase of adult-use cannabis flower,
132.10 adult-use cannabinoid products, adult-use cannabis solution products, and any lower dosage
132.11 edible cannabinoid products. For purposes of this paragraph, "adult-use cannabis" has the
132.12 meaning given in section 342.01, subdivision 3; "adult-use cannabis product" has the meaning
132.13 given in section 342.01, subdivision 5; "adult-use cannabis solution product" has the meaning
132.14 given in section 295.81, subdivision 1, paragraph (d); and "lower potency edible product"
132.15 has the meaning given in section 342.01, subdivision 45.

132.16 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
132.17 December 31, 2023.

132.18 Sec. 8. Minnesota Statutes 2022, section 297A.67, subdivision 2, is amended to read:

132.19 Subd. 2. **Food and food ingredients.** Except as otherwise provided in this subdivision,
132.20 food and food ingredients are exempt. For purposes of this subdivision, "food" and "food
132.21 ingredients" mean substances, whether in liquid, concentrated, solid, frozen, dried, or
132.22 dehydrated form, that are sold for ingestion or chewing by humans and are consumed for
132.23 their taste or nutritional value. Food and food ingredients exempt under this subdivision do
132.24 not include candy, soft drinks, dietary supplements, and prepared foods. Food and food
132.25 ingredients do not include alcoholic beverages and tobacco. Food and food ingredients do
132.26 not include adult-use cannabis flower, adult-use cannabinoid products, adult-use cannabis
132.27 solution products, lower potency edible products, medical cannabis flower, and medical
132.28 cannabinoid products. As used in this paragraph, "adult-use cannabis flower" has the meaning
132.29 given in section 342.01, subdivision 4; "adult-use cannabinoid product" has the meaning
132.30 given in section 342.01, subdivision 2; "adult-use cannabis solution product" has the meaning
132.31 given in section 295.81, subdivision 1, paragraph (d); "lower potency edible product" has
132.32 the meaning given in section 342.01, subdivision 45; "medical cannabis flower" has the
132.33 meaning given in section 342.01, subdivision 49; and "medical cannabinoid product" has
132.34 the meaning given in section 342.01, subdivision 47. For purposes of this subdivision,

133.1 "alcoholic beverages" means beverages that are suitable for human consumption and contain
133.2 one-half of one percent or more of alcohol by volume. For purposes of this subdivision,
133.3 "tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains
133.4 tobacco. For purposes of this subdivision, "dietary supplements" means any product, other
133.5 than tobacco, intended to supplement the diet that:

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

133.7 (i) a vitamin;

133.8 (ii) a mineral;

133.9 (iii) an herb or other botanical;

133.10 (iv) an amino acid;

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

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

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

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

133.21 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
133.22 December 31, 2023.

133.23 Sec. 9. Minnesota Statutes 2022, section 297A.67, subdivision 7, is amended to read:

133.24 Subd. 7. **Drugs; medical devices.** (a) Sales of the following drugs and medical devices
133.25 for human use are exempt:

133.26 (1) drugs, including over-the-counter drugs;

133.27 (2) single-use finger-pricking devices for the extraction of blood and other single-use
133.28 devices and single-use diagnostic agents used in diagnosing, monitoring, or treating diabetes;

133.29 (3) insulin and medical oxygen for human use, regardless of whether prescribed or sold
133.30 over the counter;

- 134.1 (4) prosthetic devices;
- 134.2 (5) durable medical equipment for home use only;
- 134.3 (6) mobility enhancing equipment;
- 134.4 (7) prescription corrective eyeglasses; and
- 134.5 (8) kidney dialysis equipment, including repair and replacement parts.
- 134.6 (b) Items purchased in transactions covered by:
- 134.7 (1) Medicare as defined under title XVIII of the Social Security Act, United States Code,
- 134.8 title 42, section 1395, et seq.; or
- 134.9 (2) Medicaid as defined under title XIX of the Social Security Act, United States Code,
- 134.10 title 42, section 1396, et seq.
- 134.11 (c) For purposes of this subdivision:
- 134.12 (1) "Drug" means a compound, substance, or preparation, and any component of a
- 134.13 compound, substance, or preparation, other than food and food ingredients, dietary
- 134.14 supplements, adult-use cannabis, adult-use cannabinoid products, adult-use cannabis solution
- 134.15 products, lower potency edible products, or alcoholic beverages that is:
- 134.16 (i) recognized in the official United States Pharmacopoeia, official Homeopathic
- 134.17 Pharmacopoeia of the United States, or official National Formulary, and supplement to any
- 134.18 of them;
- 134.19 (ii) intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease;
- 134.20 or
- 134.21 (iii) intended to affect the structure or any function of the body.
- 134.22 (2) "Durable medical equipment" means equipment, including repair and replacement
- 134.23 parts, including single-patient use items, but not including mobility enhancing equipment,
- 134.24 that:
- 134.25 (i) can withstand repeated use;
- 134.26 (ii) is primarily and customarily used to serve a medical purpose;
- 134.27 (iii) generally is not useful to a person in the absence of illness or injury; and
- 134.28 (iv) is not worn in or on the body.

135.1 For purposes of this clause, "repair and replacement parts" includes all components or
135.2 attachments used in conjunction with the durable medical equipment, including repair and
135.3 replacement parts which are for single patient use only.

135.4 (3) "Mobility enhancing equipment" means equipment, including repair and replacement
135.5 parts, but not including durable medical equipment, that:

135.6 (i) is primarily and customarily used to provide or increase the ability to move from one
135.7 place to another and that is appropriate for use either in a home or a motor vehicle;

135.8 (ii) is not generally used by persons with normal mobility; and

135.9 (iii) does not include any motor vehicle or equipment on a motor vehicle normally
135.10 provided by a motor vehicle manufacturer.

135.11 (4) "Over-the-counter drug" means a drug that contains a label that identifies the product
135.12 as a drug as required by Code of Federal Regulations, title 21, section 201.66. The label
135.13 must include a "drug facts" panel or a statement of the active ingredients with a list of those
135.14 ingredients contained in the compound, substance, or preparation. Over-the-counter drugs
135.15 do not include grooming and hygiene products, regardless of whether they otherwise meet
135.16 the definition. "Grooming and hygiene products" are soaps, cleaning solutions, shampoo,
135.17 toothpaste, mouthwash, antiperspirants, and suntan lotions and sunscreens.

135.18 (5) "Prescribed" and "prescription" means a direction in the form of an order, formula,
135.19 or recipe issued in any form of oral, written, electronic, or other means of transmission by
135.20 a duly licensed health care professional.

135.21 (6) "Prosthetic device" means a replacement, corrective, or supportive device, including
135.22 repair and replacement parts, worn on or in the body to:

135.23 (i) artificially replace a missing portion of the body;

135.24 (ii) prevent or correct physical deformity or malfunction; or

135.25 (iii) support a weak or deformed portion of the body.

135.26 Prosthetic device does not include corrective eyeglasses.

135.27 (7) "Kidney dialysis equipment" means equipment that:

135.28 (i) is used to remove waste products that build up in the blood when the kidneys are not
135.29 able to do so on their own; and

135.30 (ii) can withstand repeated use, including multiple use by a single patient, notwithstanding
135.31 the provisions of clause (2).

136.1 (8) A transaction is covered by Medicare or Medicaid if any portion of the cost of the
136.2 item purchased in the transaction is paid for or reimbursed by the federal government or
136.3 the state of Minnesota pursuant to the Medicare or Medicaid program, by a private insurance
136.4 company administering the Medicare or Medicaid program on behalf of the federal
136.5 government or the state of Minnesota, or by a managed care organization for the benefit of
136.6 a patient enrolled in a prepaid program that furnishes medical services in lieu of conventional
136.7 Medicare or Medicaid coverage pursuant to agreement with the federal government or the
136.8 state of Minnesota.

136.9 (9) For the purposes of this subdivision, "adult-use cannabis flower" has the meaning
136.10 given in section 342.01, subdivision 4; "adult-use cannabinoid product" has the meaning
136.11 given in section 342.01, subdivision 2; "adult-use cannabis solution product" has the meaning
136.12 given in section 295.81, subdivision 1, paragraph (d); and "lower potency edible product"
136.13 has the meaning given in section 342.01, subdivision 45.

136.14 **EFFECTIVE DATE.** This section is effective for sales and purchases made after
136.15 December 31, 2023.

136.16 Sec. 10. Minnesota Statutes 2022, section 297A.70, subdivision 2, is amended to read:

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

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

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

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

136.28 (4) notwithstanding paragraph (d), the sales and purchases by the Metropolitan Council
136.29 of vehicles and repair parts to equip operations provided for in section 473.4051 are exempt
136.30 through December 31, 2016;

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

137.1 (6) public libraries, public library systems, multicounty, multitype library systems as
137.2 defined in section 134.001, county law libraries under chapter 134A, state agency libraries,
137.3 the state library under section 480.09, and the Legislative Reference Library.

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

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

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

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

137.14 (4) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
137.15 and prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,
137.16 subdivision 2; adult-use cannabis flower as defined in section 342.01, subdivision 4;
137.17 adult-use cannabinoid products as defined in section 342.01, subdivision 2; adult-use cannabis
137.18 solution products as defined in section 295.81, subdivision 1; and lower potency edible
137.19 products as defined in section 342.01, subdivision 45, except for lodging, prepared food,
137.20 candy, soft drinks, and alcoholic beverages, adult-use cannabis flower, adult-use cannabinoid
137.21 products, adult-use cannabis solution products, and lower potency edible products purchased
137.22 directly by the United States or its agencies or instrumentalities; or

137.23 (5) goods or services purchased by a local government as inputs to a liquor store, gas
137.24 or electric utility, solid waste hauling service, solid waste recycling service, landfill, golf
137.25 course, marina, campground, cafe, or laundromat.

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

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

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

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

138.5 EFFECTIVE DATE. This section is effective for sales and purchases made after June
138.6 30, 2023.

138.7 Sec. 11. Minnesota Statutes 2022, section 297A.70, subdivision 18, is amended to read:

138.8 **Subd. 18. Nursing homes and boarding care homes.** (a) All sales, except those listed
138.9 in paragraph (b), to a nursing home licensed under section 144A.02 or a boarding care home
138.10 certified as a nursing facility under title 19 of the Social Security Act are exempt if the
138.11 facility:

138.12 (1) is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal
138.13 Revenue Code; and

138.14 (2) is certified to participate in the medical assistance program under title 19 of the Social
138.15 Security Act, or certifies to the commissioner that it does not discharge residents due to the
138.16 inability to pay.

138.17 (b) This exemption does not apply to the following sales:

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

138.22 (2) construction materials purchased by tax-exempt entities or their contractors to be
138.23 used in constructing buildings or facilities that will not be used principally by the tax-exempt
138.24 entities;

138.25 (3) lodging as defined under section 297A.61, subdivision 3, paragraph (g), clause (2),
138.26 and prepared food, candy, soft drinks, and alcoholic beverages as defined in section 297A.67,
138.27 subdivision 2; adult-use cannabis as defined in section 342.01, subdivision 3; adult-use
138.28 cannabinoid products as defined in section 342.01, subdivision 2; adult-use cannabis solution
138.29 products as defined in section 295.81, subdivision 1; and lower potency edible products as
138.30 defined in section 342.01, subdivision 45; and

138.31 (4) leasing of a motor vehicle as defined in section 297B.01, subdivision 11, except as
138.32 provided in paragraph (c).

139.1 (c) This exemption applies to the leasing of a motor vehicle as defined in section 297B.01,
 139.2 subdivision 11, only if the vehicle is:

139.3 (1) a truck, as defined in section 168.002; a bus, as defined in section 168.002; or a
 139.4 passenger automobile, as defined in section 168.002, if the automobile is designed and used
 139.5 for carrying more than nine persons including the driver; and

139.6 (2) intended to be used primarily to transport tangible personal property or residents of
 139.7 the nursing home or boarding care home.

139.8 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
 139.9 30, 2023.

139.10 Sec. 12. Minnesota Statutes 2022, section 297A.99, is amended by adding a subdivision
 139.11 to read:

139.12 **Subd. 4a. Adult-use cannabis local tax prohibited.** A political subdivision of this state
 139.13 is prohibited from imposing a tax under this section solely on the sale of adult-use cannabis
 139.14 flower, adult-use cannabinoid products, adult-use cannabis solution products, or lower
 139.15 potency edible products.

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

139.17 Sec. 13. Minnesota Statutes 2022, section 297D.01, is amended to read:

139.18 **297D.01 DEFINITIONS.**

139.19 Subdivision 1. ~~Marijuana~~ **Illegal cannabis.** ~~"Marijuana"~~ "Illegal cannabis" means any
 139.20 ~~marijuana~~ cannabinoid product as defined in section 342.01, subdivision 12; cannabis plant
 139.21 as defined in section 342.01, subdivision 19; cannabis flower as defined in section 342.01,
 139.22 subdivision 16; or artificially derived cannabinoid as defined in section 342.01, subdivision
 139.23 6, whether real or counterfeit, as defined in section 152.01, subdivision 9, that is held,
 139.24 possessed, transported, transferred, sold, or offered to be sold in violation of chapter 342
 139.25 or Minnesota criminal laws.

139.26 Subd. 2. **Controlled substance.** "Controlled substance" means any drug or substance,
 139.27 whether real or counterfeit, as defined in section 152.01, subdivision 4, that is held, possessed,
 139.28 transported, transferred, sold, or offered to be sold in violation of Minnesota laws. "Controlled
 139.29 substance" does not include ~~marijuana~~ illegal cannabis.

139.30 Subd. 3. **Tax obligor or obligor.** "Tax obligor" or "obligor" means a person who in
 139.31 violation of Minnesota law manufactures, produces, ships, transports, or imports into

140.1 Minnesota or in any manner acquires or possesses more than 42-1/2 grams of ~~marijuana~~
 140.2 illegal cannabis, or seven or more grams of any controlled substance, or ten or more dosage
 140.3 units of any controlled substance which is not sold by weight. A quantity of ~~marijuana~~ illegal
 140.4 cannabis or other controlled substance is measured by the weight of the substance whether
 140.5 pure or impure or dilute, or by dosage units when the substance is not sold by weight, in
 140.6 the tax obligor's possession. A quantity of a controlled substance is dilute if it consists of a
 140.7 detectable quantity of pure controlled substance and any excipients or fillers.

140.8 Subd. 4. **Commissioner.** "Commissioner" means the commissioner of revenue.

140.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

140.10 Sec. 14. Minnesota Statutes 2022, section 297D.04, is amended to read:

140.11 **297D.04 TAX PAYMENT REQUIRED FOR POSSESSION.**

140.12 No tax obligor may possess any ~~marijuana~~ illegal cannabis or controlled substance upon
 140.13 which a tax is imposed by section 297D.08 unless the tax has been paid on the ~~marijuana~~
 140.14 illegal cannabis or ~~other~~ a controlled substance as evidenced by a stamp or other official
 140.15 indicia.

140.16 **EFFECTIVE DATE.** This section is effective January 1, 2025.

140.17 Sec. 15. Minnesota Statutes 2022, section 297D.06, is amended to read:

140.18 **297D.06 PHARMACEUTICALS.**

140.19 Nothing in this chapter requires persons registered under chapter 151 or otherwise
 140.20 lawfully in possession of ~~marijuana~~ illegal cannabis or a controlled substance to pay the tax
 140.21 required under this chapter.

140.22 **EFFECTIVE DATE.** This section is effective January 1, 2025.

140.23 Sec. 16. Minnesota Statutes 2022, section 297D.07, is amended to read:

140.24 **297D.07 MEASUREMENT.**

140.25 For the purpose of calculating the tax under section 297D.08, a quantity of ~~marijuana~~
 140.26 illegal cannabis or ~~other~~ a controlled substance is measured by the weight of the substance
 140.27 whether pure or impure or dilute, or by dosage units when the substance is not sold by
 140.28 weight, in the tax obligor's possession. A quantity of a controlled substance is dilute if it
 140.29 consists of a detectable quantity of pure controlled substance and any excipients or fillers.

140.30 **EFFECTIVE DATE.** This section is effective January 1, 2025.

141.1 Sec. 17. Minnesota Statutes 2022, section 297D.08, is amended to read:

141.2 **297D.08 TAX RATE.**

141.3 A tax is imposed on ~~marijuana~~ illegal cannabis and controlled substances as defined in
141.4 section 297D.01 at the following rates:

141.5 (1) on each gram of ~~marijuana~~ illegal cannabis, or each portion of a gram, \$3.50; and

141.6 (2) on each gram of controlled substance, or portion of a gram, \$200; or

141.7 (3) on each ten dosage units of a controlled substance that is not sold by weight, or
141.8 portion thereof, \$400.

141.9 **EFFECTIVE DATE.** This section is effective January 1, 2025.

141.10 Sec. 18. Minnesota Statutes 2022, section 297D.085, is amended to read:

141.11 **297D.085 CREDIT FOR PREVIOUSLY PAID TAXES.**

141.12 If another state or local unit of government has previously assessed an excise tax on the
141.13 ~~marijuana~~ illegal cannabis or controlled substances, the taxpayer must pay the difference
141.14 between the tax due under section 297D.08 and the tax previously paid. If the tax previously
141.15 paid to the other state or local unit of government was equal to or greater than the tax due
141.16 under section 297D.08, no tax is due. The burden is on the taxpayer to show that an excise
141.17 tax on the ~~marijuana~~ illegal cannabis or controlled substances has been paid to another state
141.18 or local unit of government.

141.19 **EFFECTIVE DATE.** This section is effective January 1, 2025.

141.20 Sec. 19. Minnesota Statutes 2022, section 297D.09, subdivision 1a, is amended to read:

141.21 Subd. 1a. **Criminal penalty; sale without affixed stamps.** In addition to the tax penalty
141.22 imposed, a tax obligor distributing or possessing ~~marijuana~~ illegal cannabis or controlled
141.23 substances without affixing the appropriate stamps, labels, or other indicia is guilty of a
141.24 crime and, upon conviction, may be sentenced to imprisonment for not more than seven
141.25 years or to payment of a fine of not more than \$14,000, or both.

141.26 **EFFECTIVE DATE.** This section is effective January 1, 2025.

142.1 Sec. 20. Minnesota Statutes 2022, section 297D.10, is amended to read:

142.2 **297D.10 STAMP PRICE.**

142.3 Official stamps, labels, or other indicia to be affixed to all ~~marijuana~~ illegal cannabis or
 142.4 controlled substances shall be purchased from the commissioner. The purchaser shall pay
 142.5 100 percent of face value for each stamp, label, or other indicia at the time of the purchase.

142.6 **EFFECTIVE DATE.** This section is effective January 1, 2025.

142.7 Sec. 21. Minnesota Statutes 2022, section 297D.11, is amended to read:

142.8 **297D.11 PAYMENT DUE.**

142.9 Subdivision 1. **Stamps affixed.** When a tax obligor purchases, acquires, transports, or
 142.10 imports into this state ~~marijuana~~ illegal cannabis or controlled substances on which a tax is
 142.11 imposed by section 297D.08, and if the indicia evidencing the payment of the tax have not
 142.12 already been affixed, the tax obligor shall have them permanently affixed on the ~~marijuana~~
 142.13 illegal cannabis or controlled substance immediately after receiving the substance. Each
 142.14 stamp or other official indicia may be used only once.

142.15 Subd. 2. **Payable on possession.** Taxes imposed upon ~~marijuana~~ illegal cannabis or
 142.16 controlled substances by this chapter are due and payable immediately upon acquisition or
 142.17 possession in this state by a tax obligor.

142.18 **EFFECTIVE DATE.** This section is effective January 1, 2025.

142.19

ARTICLE 3

142.20

BUSINESS DEVELOPMENT

142.21 Section 1. **[116J.659] CANNABIS INDUSTRY STARTUP FINANCING GRANTS.**

142.22 **Subdivision 1. Establishment.** The commissioner of employment and economic
 142.23 development shall establish CanStartup, a program to award grants to nonprofit corporations
 142.24 to fund loans to new businesses in the legal cannabis industry and to support job creation
 142.25 in communities where long-term residents are eligible to be social equity applicants.

142.26 **Subd. 2. Definitions.** (a) For the purposes of this section, the following terms have the
 142.27 meanings given.

142.28 (b) "Commissioner" means the commissioner of employment and economic development.

142.29 (c) "Industry" means the legal cannabis industry in the state of Minnesota.

143.1 (d) "New business" means a legal cannabis business that has been in existence for three
143.2 years or less.

143.3 (e) "Program" means the CanStartup grant program.

143.4 (f) "Social equity applicant" means a person who meets the qualification requirements
143.5 in section 342.16.

143.6 Subd. 3. Grants. (a) The commissioner shall establish a revolving loan account to make
143.7 grants under the CanStartup program.

143.8 (b) The commissioner must award grants to nonprofit corporations through a competitive
143.9 grant process.

143.10 (c) To receive grant money, a nonprofit corporation must submit a written application
143.11 to the commissioner using a form developed by the commissioner.

143.12 (d) In awarding grants under this subdivision, the commissioner shall give weight to
143.13 whether the nonprofit corporation:

143.14 (1) has a board of directors that includes citizens experienced in business and community
143.15 development, new business enterprises, and creating jobs for people facing barriers to
143.16 education or employment;

143.17 (2) has the technical skills to analyze projects;

143.18 (3) is familiar with other available public and private funding sources and economic
143.19 development programs;

143.20 (4) can initiate and implement economic development projects;

143.21 (5) can establish and administer a revolving loan account;

143.22 (6) can work with job referral networks that assist people facing barriers to education
143.23 or employment; and

143.24 (7) has established relationships with communities where long-term residents are eligible
143.25 to be social equity applicants.

143.26 The commissioner shall make grants that will assist a broad range of businesses in the legal
143.27 cannabis industry, including the processing and retail sectors.

143.28 (e) A nonprofit corporation that receives a grant under the program must:

143.29 (1) establish a commissioner-certified revolving loan account for the purpose of making
143.30 eligible loans; and

144.1 (2) enter into an agreement with the commissioner that the commissioner shall fund
144.2 loans that the nonprofit corporation makes to new businesses in the legal cannabis industry.
144.3 The commissioner shall review existing agreements with nonprofit corporations every five
144.4 years and may renew or terminate an agreement based on that review. In making this review,
144.5 the commissioner shall consider, among other criteria, the criteria in paragraph (d).

144.6 Subd. 4. **Loans to businesses.** (a) The criteria in this subdivision apply to loans made
144.7 by nonprofit corporations under the program.

144.8 (b) Loans must be used to support a new business in the legal cannabis industry. Priority
144.9 must be given to loans to businesses owned by individuals who are eligible to be social
144.10 equity applicants and businesses located in communities where long-term residents are
144.11 eligible to be social equity applicants.

144.12 (c) Loans must be made to businesses that are not likely to undertake the project for
144.13 which loans are sought without assistance from the program.

144.14 (d) The minimum state contribution to a loan is \$2,500 and the maximum is either:

144.15 (1) \$50,000; or

144.16 (2) \$150,000, if state contributions are matched by an equal or greater amount of new
144.17 private investment.

144.18 (e) Loan applications given preliminary approval by the nonprofit corporation must be
144.19 forwarded to the commissioner for approval. The commissioner must give final approval
144.20 for each loan made by the nonprofit corporation under the program.

144.21 (f) A business that receives a loan may apply to renew the loan. Renewal applications
144.22 must be made on an annual basis and a business may receive loans for up to six consecutive
144.23 years. A nonprofit corporation may renew a loan to a business that is no longer a new
144.24 business provided the business would otherwise qualify for an initial loan and is in good
144.25 standing with the nonprofit corporation and the commissioner. A nonprofit corporation may
144.26 adjust the amount of a renewed loan, or not renew a loan, if the nonprofit corporation
144.27 determines that the business is financially stable and is substantially likely to continue the
144.28 project for which the loan renewal is sought.

144.29 (g) If a borrower has met lender criteria, including being current with all payments for
144.30 a minimum of three years, the commissioner may approve either full or partial forgiveness
144.31 of interest or principal amounts.

144.32 Subd. 5. **Revolving loan account administration.** (a) The commissioner shall establish
144.33 a minimum interest rate for loans or guarantees to ensure that necessary loan administration

145.1 costs are covered. The interest rate charged by a nonprofit corporation for a loan under this
145.2 section must not exceed the Wall Street Journal prime rate. For a loan under this section,
145.3 the nonprofit corporation may charge a loan origination fee equal to or less than one percent
145.4 of the loan value. The nonprofit corporation may retain the amount of the origination fee.

145.5 (b) Loan repayment of principal must be paid to the commissioner for deposit in the
145.6 revolving loan account. Loan interest payments must be deposited in a revolving loan
145.7 account created by the nonprofit corporation originating the loan being repaid for further
145.8 distribution or use, consistent with the criteria of this section.

145.9 (c) Administrative expenses of the nonprofit corporations with whom the commissioner
145.10 enters into agreements, including expenses incurred by a nonprofit corporation in providing
145.11 financial, technical, managerial, and marketing assistance to a business receiving a loan
145.12 under this section, are eligible program expenses the commissioner may agree to pay under
145.13 the grant agreement.

145.14 Subd. 6. **Program outreach.** The commissioner shall make extensive efforts to publicize
145.15 this program, including through partnerships with community organizations, particularly
145.16 those organizations located in areas where long-term residents are eligible to be social equity
145.17 applicants.

145.18 Subd. 7. **Reporting requirements.** (a) A nonprofit corporation that receives a grant
145.19 shall:

145.20 (1) submit an annual report to the commissioner by February 1 of each year that the
145.21 nonprofit corporation participates in the program that includes a description of businesses
145.22 supported by the grant program, an account of loans made during the calendar year, the
145.23 program's impact on business creation and job creation, particularly in communities where
145.24 long-term residents are eligible to be social equity applicants, the source and amount of
145.25 money collected and distributed by the program, the program's assets and liabilities, and an
145.26 explanation of administrative expenses; and

145.27 (2) provide for an independent annual audit to be performed in accordance with generally
145.28 accepted accounting practices and auditing standards and submit a copy of each annual
145.29 audit report to the commissioner.

145.30 (b) By March 1, 2024, and each March 1 thereafter, the commissioner must submit a
145.31 report to the chairs and ranking minority members of the committees of the house of
145.32 representatives and the senate having jurisdiction over economic development that details
145.33 awards given through the CanStartup program and the use of grant money, including any
145.34 measures of success toward financing new businesses in the legal cannabis industry and

146.1 creating jobs in communities where long-term residents are eligible to be social equity
146.2 applicants.

146.3 **Sec. 2. [116J.6595] CANNABIS INDUSTRY NAVIGATION GRANTS.**

146.4 Subdivision 1. **Establishment.** The commissioner of employment and economic
146.5 development shall establish CanNavigate, a program to award grants to eligible organizations
146.6 to help individuals navigate the regulatory structure of the legal cannabis industry.

146.7 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
146.8 meanings given.

146.9 (b) "Commissioner" means the commissioner of employment and economic development.

146.10 (c) "Eligible organization" means any organization capable of helping individuals navigate
146.11 the regulatory structure of the legal cannabis industry, particularly individuals facing barriers
146.12 to education or employment, and may include educational institutions, nonprofit
146.13 organizations, private businesses, community groups, units of local government, or
146.14 partnerships between different types of organizations.

146.15 (d) "Industry" means the legal cannabis industry in the state of Minnesota.

146.16 (e) "Program" means the CanNavigate grant program.

146.17 (f) "Social equity applicant" means a person who meets the qualification requirements
146.18 in section 342.16.

146.19 Subd. 3. **Grants to organizations.** (a) Grant money awarded to eligible organizations
146.20 may be used for both developing technical assistance resources relevant to the regulatory
146.21 structure of the legal cannabis industry and for providing technical assistance or navigation
146.22 services to individuals.

146.23 (b) The commissioner must award grants to eligible organizations through a competitive
146.24 grant process.

146.25 (c) To receive grant money, an eligible organization must submit a written application
146.26 to the commissioner, using a form developed by the commissioner, explaining the
146.27 organization's ability to assist individuals in navigating the regulatory structure of the legal
146.28 cannabis industry, particularly individuals facing barriers to education or employment.

146.29 (d) An eligible organization's grant application must also include:

146.30 (1) a description of the proposed technical assistance or navigation services, including
146.31 the types of individuals targeted for assistance;

147.1 (2) any evidence of the organization's past success in providing technical assistance or
147.2 navigation services to individuals, particularly individuals who live in areas where long-term
147.3 residents are eligible to be social equity applicants;

147.4 (3) an estimate of the cost of providing the technical assistance;

147.5 (4) the sources and amounts of any nonstate money or in-kind contributions that will
147.6 supplement grant money, including any amounts that individuals will be charged to receive
147.7 assistance; and

147.8 (5) any additional information requested by the commissioner.

147.9 (e) In awarding grants under this subdivision, the commissioner shall give weight to
147.10 applications from organizations that demonstrate a history of successful technical assistance
147.11 or navigation services, particularly for individuals facing barriers to education or employment.

147.12 The commissioner shall also give weight to applications where the proposed technical
147.13 assistance will serve areas where long-term residents are eligible to be social equity
147.14 applicants. To the extent practicable, the commissioner shall fund technical assistance for
147.15 a variety of sectors in the legal cannabis industry, including both processing and retail
147.16 sectors.

147.17 Subd. 4. **Program outreach.** The commissioner shall make extensive efforts to publicize
147.18 these grants, including through partnerships with community organizations, particularly
147.19 those organizations located in areas where long-term residents are eligible to be social equity
147.20 applicants.

147.21 Subd. 5. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,
147.22 the commissioner must submit a report to the chairs and ranking minority members of the
147.23 committees of the house of representatives and the senate having jurisdiction over economic
147.24 development that details awards given through the CanNavigate program and the use of
147.25 grant money, including any measures of success toward helping individuals navigate the
147.26 regulatory structure of the legal cannabis industry.

147.27 Sec. 3. **[116L.90] CANNABIS INDUSTRY TRAINING GRANTS.**

147.28 Subdivision 1. **Establishment.** The commissioner of employment and economic
147.29 development shall establish CanTrain, a program to award grants to (1) eligible organizations
147.30 to train people for work in the legal cannabis industry, and (2) eligible individuals to acquire
147.31 such training.

147.32 Subd. 2. **Definitions.** (a) For the purposes of this section, the following terms have the
147.33 meanings given.

148.1 (b) "Commissioner" means the commissioner of employment and economic development.

148.2 (c) "Eligible organization" means any organization capable of providing training relevant
148.3 to the legal cannabis industry, particularly for individuals facing barriers to education or
148.4 employment, and may include educational institutions, nonprofit organizations, private
148.5 businesses, community groups, units of local government, or partnerships between different
148.6 types of organizations.

148.7 (d) "Eligible individual" means a Minnesota resident who is 21 years old or older.

148.8 (e) "Industry" means the legal cannabis industry in Minnesota.

148.9 (f) "Program" means the CanTrain grant program.

148.10 (g) "Social equity applicant" means a person who meets the qualification requirements
148.11 in section 342.16.

148.12 Subd. 3. Grants to organizations. (a) Grant money awarded to eligible organizations
148.13 may be used for both developing a training program relevant to the legal cannabis industry
148.14 and for providing such training to individuals.

148.15 (b) The commissioner must award grants to eligible organizations through a competitive
148.16 grant process.

148.17 (c) To receive grant money, an eligible organization must submit a written application
148.18 to the commissioner, using a form developed by the commissioner, explaining the
148.19 organization's ability to train individuals for successful careers in the legal cannabis industry,
148.20 particularly individuals facing barriers to education or employment.

148.21 (d) An eligible organization's grant application must also include:

148.22 (1) a description of the proposed training;

148.23 (2) an analysis of the degree of demand in the legal cannabis industry for the skills gained
148.24 through the proposed training;

148.25 (3) any evidence of the organization's past success in training individuals for successful
148.26 careers, particularly in new or emerging industries;

148.27 (4) an estimate of the cost of providing the proposed training;

148.28 (5) the sources and amounts of any nonstate funds or in-kind contributions that will
148.29 supplement grant money, including any amounts that individuals will be charged to
148.30 participate in the training; and

148.31 (6) any additional information requested by the commissioner.

149.1 (e) In awarding grants under this subdivision, the commissioner shall give weight to
149.2 applications from organizations that demonstrate a history of successful career training,
149.3 particularly for individuals facing barriers to education or employment. The commissioner
149.4 shall also give weight to applications where the proposed training will:

149.5 (1) result in an industry-relevant credential; or

149.6 (2) include opportunities for hands-on or on-site experience in the industry.

149.7 The commissioner shall fund training for a broad range of careers in the legal cannabis
149.8 industry, including both potential business owners and employees and for work in the
149.9 growing, processing, and retail sectors of the legal cannabis industry.

149.10 Subd. 4. **Grants to individuals.** (a) The commissioner shall award grants of \$..... to
149.11 eligible individuals to pursue a training program relevant to a career in the legal cannabis
149.12 industry.

149.13 (b) To receive grant money, an eligible individual must submit a written application to
149.14 the commissioner, using a form developed by the commissioner, identifying a training
149.15 program relevant to the legal cannabis industry and the estimated cost of completing that
149.16 training. The application must also indicate whether:

149.17 (1) the applicant is eligible to be a social equity applicant;

149.18 (2) the proposed training program results in an industry-relevant credential; and

149.19 (3) the proposed training program includes opportunities for hands-on or on-site
149.20 experience in the industry.

149.21 The commissioner shall attempt to make the application process simple for individuals to
149.22 complete, such as by publishing lists of industry-relevant training programs along with the
149.23 training program's estimated cost of completing the training programs and whether the
149.24 training programs will result in an industry-relevant credential or include opportunities for
149.25 hands-on or on-site experience in the legal cannabis industry.

149.26 (c) The commissioner must award grants to eligible individuals through a lottery process.
149.27 Applicants who have filed complete applications by the deadline set by the commissioner
149.28 shall receive one entry in the lottery, plus one additional entry for each of the following:

149.29 (1) being eligible to be a social equity applicant;

149.30 (2) seeking to enroll in a training program that results in an industry-relevant credential;
149.31 and

150.1 (3) seeking to enroll in a training program that includes opportunities for hands-on or
150.2 on-site experience in the industry.

150.3 (d) Grant money awarded to eligible individuals shall be used to pay the costs of enrolling
150.4 in a training program relevant to the legal cannabis industry, including tuition, fees, and
150.5 materials costs. Grant money may also be used to remove external barriers to attending such
150.6 a training program, such as the cost of child care, transportation, or other expenses approved
150.7 by the commissioner.

150.8 Subd. 5. **Program outreach.** The commissioner shall make extensive efforts to publicize
150.9 these grants, including through partnerships with community organizations, particularly
150.10 those organizations located in areas where long-term residents are eligible to be social equity
150.11 applicants.

150.12 Subd. 6. **Reports to the legislature.** By January 15, 2024, and each January 15 thereafter,
150.13 the commissioner must submit a report to the chairs and ranking minority members of the
150.14 committees of the house of representatives and the senate having jurisdiction over workforce
150.15 development that describes awards given through the CanTrain program and the use of
150.16 grant money, including any measures of success toward training people for successful
150.17 careers in the legal cannabis industry.

150.18 **ARTICLE 4**

150.19 **CRIMINAL PENALTIES**

150.20 Section 1. Minnesota Statutes 2022, section 152.022, subdivision 1, is amended to read:

150.21 Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the
150.22 second degree if:

150.23 (1) on one or more occasions within a 90-day period the person unlawfully sells one or
150.24 more mixtures of a total weight of ten grams or more containing a narcotic drug other than
150.25 heroin;

150.26 (2) on one or more occasions within a 90-day period the person unlawfully sells one or
150.27 more mixtures of a total weight of three grams or more containing cocaine or
150.28 methamphetamine and:

150.29 (i) the person or an accomplice possesses on their person or within immediate reach, or
150.30 uses, whether by brandishing, displaying, threatening with, or otherwise employing, a
150.31 firearm; or

150.32 (ii) the offense involves three aggravating factors;

151.1 (3) on one or more occasions within a 90-day period the person unlawfully sells one or
 151.2 more mixtures of a total weight of three grams or more containing heroin;

151.3 (4) on one or more occasions within a 90-day period the person unlawfully sells one or
 151.4 more mixtures of a total weight of ten grams or more containing amphetamine, phencyclidine,
 151.5 or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 50 or
 151.6 more dosage units;

151.7 ~~(5) on one or more occasions within a 90-day period the person unlawfully sells one or~~
 151.8 ~~more mixtures of a total weight of ten kilograms or more containing marijuana or~~
 151.9 ~~Tetrahydrocannabinols;~~

151.10 ~~(6)~~ (5) the person unlawfully sells any amount of a Schedule I or II narcotic drug to a
 151.11 person under the age of 18, or conspires with or employs a person under the age of 18 to
 151.12 unlawfully sell the substance; or

151.13 ~~(7)~~ (6) the person unlawfully sells any of the following in a school zone, a park zone, a
 151.14 public housing zone, or a drug treatment facility:

151.15 (i) any amount of a Schedule I or II narcotic drug, lysergic acid diethylamide (LSD),
 151.16 3,4-methylenedioxy amphetamine, or 3,4-methylenedioxymethamphetamine; or

151.17 (ii) one or more mixtures containing methamphetamine or amphetamine; or

151.18 ~~(iii) one or more mixtures of a total weight of five kilograms or more containing marijuana~~
 151.19 ~~or Tetrahydrocannabinols.~~

151.20 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
 151.21 committed on or after that date.

151.22 Sec. 2. Minnesota Statutes 2022, section 152.022, subdivision 2, is amended to read:

151.23 Subd. 2. **Possession crimes.** (a) A person is guilty of controlled substance crime in the
 151.24 second degree if:

151.25 (1) the person unlawfully possesses one or more mixtures of a total weight of 25 grams
 151.26 or more containing cocaine or methamphetamine;

151.27 (2) the person unlawfully possesses one or more mixtures of a total weight of ten grams
 151.28 or more containing cocaine or methamphetamine and:

151.29 (i) the person or an accomplice possesses on their person or within immediate reach, or
 151.30 uses, whether by brandishing, displaying, threatening with, or otherwise employing, a
 151.31 firearm; or

152.1 (ii) the offense involves three aggravating factors;

152.2 (3) the person unlawfully possesses one or more mixtures of a total weight of six grams
152.3 or more containing heroin;

152.4 (4) the person unlawfully possesses one or more mixtures of a total weight of 50 grams
152.5 or more containing a narcotic drug other than cocaine, heroin, or methamphetamine;

152.6 (5) the person unlawfully possesses one or more mixtures of a total weight of 50 grams
152.7 or more containing amphetamine, phencyclidine, or hallucinogen or, if the controlled
152.8 substance is packaged in dosage units, equaling 100 or more dosage units; or

152.9 (6) the person unlawfully possesses one or more mixtures of a total weight of 25
152.10 kilograms or more containing marijuana or Tetrahydrocannabinols, ~~or possesses 100 or~~
152.11 ~~more marijuana plants.~~

152.12 (b) For the purposes of this subdivision, the weight of fluid used in a water pipe may
152.13 not be considered in measuring the weight of a mixture except in cases where the mixture
152.14 contains four or more fluid ounces of fluid.

152.15 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
152.16 committed on or after that date.

152.17 Sec. 3. Minnesota Statutes 2022, section 152.023, subdivision 1, is amended to read:

152.18 Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the third
152.19 degree if:

152.20 (1) the person unlawfully sells one or more mixtures containing a narcotic drug;

152.21 (2) on one or more occasions within a 90-day period the person unlawfully sells one or
152.22 more mixtures containing phencyclidine or hallucinogen, it is packaged in dosage units,
152.23 and equals ten or more dosage units;

152.24 (3) the person unlawfully sells one or more mixtures containing a controlled substance
152.25 classified in Schedule I, II, or III, except a Schedule I or II narcotic drug, cannabis flower,
152.26 or cannabinoid products to a person under the age of 18; or

152.27 (4) the person conspires with or employs a person under the age of 18 to unlawfully sell
152.28 one or more mixtures containing a controlled substance listed in Schedule I, II, or III, except
152.29 a Schedule I or II narcotic drug; ~~or.~~

153.1 ~~(5) on one or more occasions within a 90-day period the person unlawfully sells one or~~
153.2 ~~more mixtures of a total weight of five kilograms or more containing marijuana or~~
153.3 ~~Tetrahydrocannabinols.~~

153.4 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
153.5 committed on or after that date.

153.6 Sec. 4. Minnesota Statutes 2022, section 152.023, subdivision 2, is amended to read:

153.7 Subd. 2. **Possession crimes.** (a) A person is guilty of controlled substance crime in the
153.8 third degree if:

153.9 (1) on one or more occasions within a 90-day period the person unlawfully possesses
153.10 one or more mixtures of a total weight of ten grams or more containing a narcotic drug other
153.11 than heroin;

153.12 (2) on one or more occasions within a 90-day period the person unlawfully possesses
153.13 one or more mixtures of a total weight of three grams or more containing heroin;

153.14 (3) on one or more occasions within a 90-day period the person unlawfully possesses
153.15 one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals
153.16 50 or more dosage units;

153.17 (4) on one or more occasions within a 90-day period the person unlawfully possesses
153.18 any amount of a schedule I or II narcotic drug or five or more dosage units of lysergic acid
153.19 diethylamide (LSD), 3,4-methylenedioxy amphetamine, or
153.20 3,4-methylenedioxymethamphetamine in a school zone, a park zone, a public housing zone,
153.21 or a drug treatment facility;

153.22 (5) on one or more occasions within a 90-day period the person unlawfully possesses
153.23 ~~one or more mixtures of a total weight of ten kilograms or more containing marijuana or~~
153.24 ~~Tetrahydrocannabinols:~~

153.25 (i) more than ten kilograms of cannabis flower;

153.26 (ii) more than two kilograms of cannabis concentrate; or

153.27 (iii) edible cannabinoid products infused with more than 200 grams of
153.28 tetrahydrocannabinol; or

153.29 (6) the person unlawfully possesses one or more mixtures containing methamphetamine
153.30 or amphetamine in a school zone, a park zone, a public housing zone, or a drug treatment
153.31 facility.

154.1 (b) For the purposes of this subdivision, the weight of fluid used in a water pipe may
154.2 not be considered in measuring the weight of a mixture except in cases where the mixture
154.3 contains four or more fluid ounces of fluid.

154.4 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
154.5 committed on or after that date.

154.6 Sec. 5. Minnesota Statutes 2022, section 152.024, subdivision 1, is amended to read:

154.7 Subdivision 1. **Sale crimes.** A person is guilty of controlled substance crime in the fourth
154.8 degree if:

154.9 (1) the person unlawfully sells one or more mixtures containing a controlled substance
154.10 classified in Schedule I, II, or III, except marijuana or Tetrahydrocannabinols;

154.11 (2) the person unlawfully sells one or more mixtures containing a controlled substance
154.12 classified in Schedule IV or V to a person under the age of 18; or

154.13 (3) the person conspires with or employs a person under the age of 18 to unlawfully sell
154.14 a controlled substance classified in Schedule IV or V; ~~or.~~

154.15 ~~(4) the person unlawfully sells any amount of marijuana or Tetrahydrocannabinols in a~~
154.16 ~~school zone, a park zone, a public housing zone, or a drug treatment facility, except a small~~
154.17 ~~amount for no remuneration.~~

154.18 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
154.19 committed on or after that date.

154.20 Sec. 6. Minnesota Statutes 2022, section 152.025, subdivision 1, is amended to read:

154.21 Subdivision 1. **Sale crimes.** A person is guilty of a controlled substance crime in the
154.22 fifth degree and upon conviction may be sentenced as provided in subdivision 4 if:

154.23 ~~(1) the person unlawfully sells one or more mixtures containing marijuana or~~
154.24 ~~tetrahydrocannabinols, except a small amount of marijuana for no remuneration; or~~

154.25 ~~(2) the person unlawfully sells one or more mixtures containing a controlled substance~~
154.26 ~~classified in Schedule IV.~~

154.27 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
154.28 committed on or after that date.

155.1 Sec. 7. Minnesota Statutes 2022, section 152.025, subdivision 2, is amended to read:

155.2 Subd. 2. **Possession and other crimes.** A person is guilty of controlled substance crime
155.3 in the fifth degree and upon conviction may be sentenced as provided in subdivision 4 if:

155.4 (1) the person unlawfully possesses one or more mixtures containing a controlled
155.5 substance classified in Schedule I, II, III, or IV, except a ~~small amount of marijuana~~ cannabis
155.6 flower or cannabinoid products; or

155.7 (2) the person procures, attempts to procure, possesses, or has control over a controlled
155.8 substance by any of the following means:

155.9 (i) fraud, deceit, misrepresentation, or subterfuge;

155.10 (ii) using a false name or giving false credit; or

155.11 (iii) falsely assuming the title of, or falsely representing any person to be, a manufacturer,
155.12 wholesaler, pharmacist, physician, doctor of osteopathic medicine licensed to practice
155.13 medicine, dentist, podiatrist, veterinarian, or other authorized person for the purpose of
155.14 obtaining a controlled substance.

155.15 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
155.16 committed on or after that date.

155.17 Sec. 8. **[152.0263] CANNABIS POSSESSION CRIMES.**

155.18 Subdivision 1. **Definitions.** As used in this section, the following terms have the meanings
155.19 given:

155.20 (1) "cannabinoid product" has the meaning given in section 342.01, subdivision 12;

155.21 (2) "cannabis concentrate" has the meaning given in section 342.01, subdivision 15;

155.22 (3) "cannabis flower" has the meaning given in section 342.01, subdivision 16; and

155.23 (4) "edible cannabinoid product" has the meaning given in section 342.01, subdivision
155.24 29.

155.25 Subd. 2. **Possession of cannabis in the first degree.** A person is guilty of cannabis
155.26 possession in the first degree and may be sentenced to imprisonment of not more than five
155.27 years or to payment of a fine of not more than \$10,000, or both, if the person unlawfully
155.28 possesses any of the following:

155.29 (1) more than two pounds but not more than ten kilograms of cannabis flower in any
155.30 place other than the person's residence;

156.1 (2) more than five pounds but not more than ten kilograms of cannabis flower in the
156.2 person's residence;

156.3 (3) more than 160 grams but not more than two kilograms of cannabis concentrate; or

156.4 (4) edible cannabinoid products infused with more than 16 grams but not more than 200
156.5 grams of tetrahydrocannabinol.

156.6 Subd. 3. Possession of cannabis in the second degree. A person is guilty of cannabis
156.7 possession in the second degree and may be sentenced to imprisonment of not more than
156.8 one year or to payment of a fine of not more than \$3,000, or both, if the person unlawfully
156.9 possesses any of the following:

156.10 (1) more than one pound but not more than two pounds of cannabis flower in any place
156.11 other than the person's residence;

156.12 (2) more than 80 grams but not more than 160 grams of cannabis concentrate; or

156.13 (3) edible cannabinoid products infused with more than eight grams but not more than
156.14 16 grams of tetrahydrocannabinol.

156.15 Subd. 4. Possession of cannabis in the third degree. A person is guilty of cannabis
156.16 possession in the third degree and may be sentenced to imprisonment of not more than 90
156.17 days or to payment of a fine of not more than \$1,000, or both, if the person unlawfully
156.18 possesses any of the following:

156.19 (1) more than four ounces but not more than one pound of cannabis flower in any place
156.20 other than the person's residence;

156.21 (2) more than 16 grams but not more than 80 grams of cannabis concentrate; or

156.22 (3) edible cannabinoid products infused with more than 1,600 milligrams but not more
156.23 than eight grams of tetrahydrocannabinol.

156.24 Subd. 5. Possession of cannabis in the fourth degree. A person is guilty of a petty
156.25 misdemeanor if the person unlawfully possesses any of the following:

156.26 (1) more than two ounces but not more than four ounces of cannabis flower;

156.27 (2) more than eight grams but not more than 16 grams of cannabis concentrate; or

156.28 (3) edible cannabinoid products infused with more than 800 milligrams but not more
156.29 than 1,600 milligrams of tetrahydrocannabinol.

156.30 Subd. 6. Use of cannabis in a motor vehicle. A person is guilty of a crime and may be
156.31 sentenced to imprisonment of not more than 90 days or to payment of a fine of not more

157.1 than \$1,000, or both, if the person unlawfully uses cannabis flower or cannabinoid products
157.2 while driving, operating, or being in physical control of any motor vehicle, as defined in
157.3 section 169A.03, subdivision 15.

157.4 Subd. 7. Use of cannabis in public. A local unit of government may adopt an ordinance
157.5 establishing a petty misdemeanor offense for a person who unlawfully uses cannabis flower
157.6 or cannabinoid products in a public place provided that the definition of public place does
157.7 not include the following:

157.8 (1) a private residence, including the person's curtilage or yard;

157.9 (2) private property not generally accessible by the public, unless the person is explicitly
157.10 prohibited from consuming cannabis flower or cannabinoid products on the property by the
157.11 owner of the property; or

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

157.13 EFFECTIVE DATE. This section is effective August 1, 2023, and applies to crimes
157.14 committed on or after that date.

157.15 Sec. 9. [152.0264] CANNABIS SALE CRIMES.

157.16 Subdivision 1. Definitions. As used in this section, the following terms have the meanings
157.17 given:

157.18 (1) "cannabinoid product" has the meaning given in section 342.01, subdivision 12;

157.19 (2) "cannabis concentrate" has the meaning given in section 342.01, subdivision 15;

157.20 (3) "cannabis flower" has the meaning given in section 342.01, subdivision 16; and

157.21 (4) "edible cannabinoid product" has the meaning given in section 342.01, subdivision
157.22 29.

157.23 Subd. 2. Sale of cannabis in the first degree. A person is guilty of the sale of cannabis
157.24 in the first degree and may be sentenced to imprisonment of not more than five years or to
157.25 payment of a fine of not more than \$10,000, or both, if the person unlawfully sells more
157.26 than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or
157.27 edible cannabinoid products infused with more than 800 milligrams of tetrahydrocannabinol:

157.28 (1) to a minor and the defendant is an adult who is more than 36 months older than the
157.29 minor;

158.1 (2) within ten years of two or more convictions for the unlawful sale of more than two
158.2 ounces of cannabis flower, more than eight grams of cannabis concentrate, or edible
158.3 cannabinoid products infused with more than 800 milligrams of tetrahydrocannabinol; or
158.4 (3) within ten years of a conviction under this subdivision.

158.5 **Subd. 3. Sale of cannabis in the second degree.** A person is guilty of sale of cannabis
158.6 in the second degree and may be sentenced to imprisonment of not more than one year or
158.7 to payment of a fine of not more than \$3,000, or both, if the person unlawfully sells more
158.8 than two ounces of cannabis flower, more than eight grams of cannabis concentrate, or
158.9 edible cannabinoid products infused with more than 800 milligrams of tetrahydrocannabinol:

158.10 (1) to a minor and the defendant is an adult who is not more than 36 months older than
158.11 the minor;

158.12 (2) in a school zone, a park zone, a public housing zone, or a drug treatment facility; or

158.13 (3) within ten years of a conviction for the unlawful sale of more than two ounces of
158.14 cannabis flower, more than eight grams of cannabis concentrate, or edible cannabinoid
158.15 products infused with more than 800 milligrams of tetrahydrocannabinol.

158.16 **Subd. 4. Sale of cannabis in the third degree.** A person is guilty of sale of cannabis in
158.17 the third degree and may be sentenced to imprisonment of not more than 90 days or to
158.18 payment of a fine of not more than \$1,000, or both, if the person unlawfully sells:

158.19 (1) more than two ounces of cannabis flower;

158.20 (2) more than eight grams of cannabis concentrate; or

158.21 (3) edible cannabinoid products infused with more than 800 milligrams of
158.22 tetrahydrocannabinol.

158.23 **Subd. 5. Sale of cannabis in the fourth degree.** (a) A person is guilty of a petty
158.24 misdemeanor if the person unlawfully sells:

158.25 (1) not more than two ounces of cannabis flower;

158.26 (2) not more than eight grams of cannabis concentrate; or

158.27 (3) edible cannabinoid products infused with not more than 800 milligrams of
158.28 tetrahydrocannabinol.

158.29 (b) A sale for no remuneration by an individual over the age of 21 to another individual
158.30 over the age of 21 is not an unlawful sale under this subdivision.

158.31 **Subd. 6. Sale of cannabis by a minor.** (a) A minor is guilty of a petty misdemeanor if:

159.1 (1) the minor unlawfully sells cannabis flower, cannabis concentrate, or cannabinoid
 159.2 products; and

159.3 (2) the minor has not previously received a petty misdemeanor disposition or been
 159.4 adjudicated delinquent for committing an act in violation of this section.

159.5 (b) A minor sentenced under this subdivision is required to participate in a drug education
 159.6 program unless the court enters a written finding that a drug education program is
 159.7 inappropriate. The program must be approved by an area mental health board with a
 159.8 curriculum approved by the state alcohol and drug abuse authority.

159.9 (c) A minor who receives a disposition pursuant to this subdivision is required to perform
 159.10 community service.

159.11 **EFFECTIVE DATE.** This section is effective January 1, 2024, and applies to crimes
 159.12 committed on or after that date.

159.13 **Sec. 10. [152.0265] CANNABIS CULTIVATION CRIMES.**

159.14 Subdivision 1. **Cultivation of cannabis in the first degree.** A person is guilty of
 159.15 cultivation of cannabis in the first degree and may be sentenced to imprisonment of not
 159.16 more than five years or to payment of a fine of not more than \$10,000, or both, if the person
 159.17 unlawfully cultivates more than 23 cannabis plants.

159.18 Subd. 2. **Cultivation of cannabis in the second degree.** A person is guilty of cultivation
 159.19 of cannabis in the second degree and may be sentenced to imprisonment of not more than
 159.20 one year or to payment of a fine of not more than \$3,000, or both, if the person unlawfully
 159.21 cultivates more than 16 cannabis plants but not more than 23 cannabis plants.

159.22 Subd. 3. **Cannabis plant.** As used in this section, "cannabis plant" has the meaning
 159.23 given in section 342.01, subdivision 19.

159.24 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
 159.25 committed on or after that date.

159.26 **Sec. 11. Minnesota Statutes 2022, section 244.05, subdivision 2, is amended to read:**

159.27 **Subd. 2. **Rules.** (a)** The commissioner of corrections shall adopt by rule standards and
 159.28 procedures for **the establishment of conditions of release and** the revocation of supervised
 159.29 or conditional release, and shall specify the period of revocation for each violation of release.
 159.30 Procedures for the revocation of release shall provide due process of law for the inmate.

160.1 (b) The commissioner may prohibit an inmate placed on parole, supervised release, or
 160.2 conditional release from using adult-use cannabis flower as defined in section 342.01,
 160.3 subdivision 4, or adult-use cannabinoid products as defined in section 342.01, subdivision
 160.4 2, if the inmate undergoes a chemical use assessment and abstinence is consistent with a
 160.5 recommended level of care for the defendant in accordance with the criteria in rules adopted
 160.6 by the commissioner of human services under section 254A.03, subdivision 3.

160.7 (c) The commissioner of corrections shall not prohibit an inmate placed on parole,
 160.8 supervised release, or conditional release from participating in the registry program as
 160.9 defined in section 342.01, subdivision 58, as a condition of release or revoke a patient's
 160.10 parole, supervised release, or conditional release or otherwise sanction a patient on parole,
 160.11 supervised release, or conditional release solely for participating in the registry program or
 160.12 for a positive drug test for cannabis components or metabolites.

160.13 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to supervised
 160.14 release granted on or after that date.

160.15 Sec. 12. Minnesota Statutes 2022, section 609.135, subdivision 1, is amended to read:

160.16 Subdivision 1. **Terms and conditions.** (a) Except when a sentence of life imprisonment
 160.17 is required by law, or when a mandatory minimum sentence is required by section 609.11,
 160.18 any court may stay imposition or execution of sentence and:

160.19 (1) may order intermediate sanctions without placing the defendant on probation; or

160.20 (2) may place the defendant on probation with or without supervision and on the terms
 160.21 the court prescribes, including intermediate sanctions when practicable. The court may order
 160.22 the supervision to be under the probation officer of the court, or, if there is none and the
 160.23 conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in
 160.24 any case by some other suitable and consenting person. Unless the court directs otherwise,
 160.25 state parole and probation agents and probation officers may impose community work
 160.26 service or probation violation sanctions, consistent with section 243.05, subdivision 1;
 160.27 sections 244.196 to 244.199; or 401.02, subdivision 5.

160.28 No intermediate sanction may be ordered performed at a location that fails to observe
 160.29 applicable requirements or standards of chapter 181A or 182, or any rule promulgated under
 160.30 them.

160.31 (b) For purposes of this subdivision, subdivision 6, and section 609.14, the term
 160.32 "intermediate sanctions" includes but is not limited to incarceration in a local jail or
 160.33 workhouse, home detention, electronic monitoring, intensive probation, sentencing to service,

161.1 reporting to a day reporting center, chemical dependency or mental health treatment or
161.2 counseling, restitution, fines, day-fines, community work service, work service in a restorative
161.3 justice program, work in lieu of or to work off fines and, with the victim's consent, work in
161.4 lieu of or to work off restitution.

161.5 (c) A court may not stay the revocation of the driver's license of a person convicted of
161.6 violating the provisions of section 169A.20.

161.7 (d) If the court orders a fine, day-fine, or restitution as an intermediate sanction, payment
161.8 is due on the date imposed unless the court otherwise establishes a due date or a payment
161.9 plan.

161.10 (e) The court may prohibit a defendant from using adult-use cannabis flower as defined
161.11 in section 342.01, subdivision 4, or adult-use cannabinoid products as defined in section
161.12 342.01, subdivision 2, if the defendant undergoes a chemical use assessment and abstinence
161.13 is consistent with a recommended level of care for the defendant in accordance with the
161.14 criteria in rules adopted by the commissioner of human services under section 254A.03,
161.15 subdivision 3. The assessment must be conducted by an assessor qualified under rules
161.16 adopted by the commissioner of human services under section 254A.03, subdivision 3. An
161.17 assessor providing a chemical use assessment may not have any direct or shared financial
161.18 interest or referral relationship resulting in shared financial gain with a treatment provider,
161.19 except as authorized under section 254A.19, subdivision 3. If an independent assessor is
161.20 not available, the probation officer may use the services of an assessor authorized to perform
161.21 assessments for the county social services agency under a variance granted under rules
161.22 adopted by the commissioner of human services under section 254A.03, subdivision 3.

161.23 (f) A court shall not impose an intermediate sanction that has the effect of prohibiting
161.24 a person from participating in the registry program as defined in section 342.01, subdivision
161.25 58.

161.26 EFFECTIVE DATE. This section is effective August 1, 2023, and applies to sentences
161.27 ordered on or after that date.

161.28 Sec. 13. Minnesota Statutes 2022, section 609.5311, subdivision 1, is amended to read:

161.29 Subdivision 1. **Controlled substances.** All controlled substances that were manufactured,
161.30 distributed, dispensed, or acquired in violation of chapter 152 or 342 are subject to forfeiture
161.31 under this section, except as provided in subdivision 3 and section 609.5316.

161.32 EFFECTIVE DATE. This section is effective August 1, 2023, and applies to violations
161.33 committed on or after that date.

162.1 Sec. 14. Minnesota Statutes 2022, section 609.5314, subdivision 1, is amended to read:

162.2 Subdivision 1. **Property subject to administrative forfeiture.** (a) The following are
162.3 subject to administrative forfeiture under this section:

162.4 (1) all money totaling \$1,500 or more, precious metals, and precious stones that there
162.5 is probable cause to believe represent the proceeds of a controlled substance offense;

162.6 (2) all money found in proximity to controlled substances when there is probable cause
162.7 to believe that the money was exchanged for the purchase of a controlled substance;

162.8 (3) all conveyance devices containing controlled substances with a retail value of \$100
162.9 or more if there is probable cause to believe that the conveyance device was used in the
162.10 transportation or exchange of a controlled substance intended for distribution or sale; and

162.11 (4) all firearms, ammunition, and firearm accessories found:

162.12 (i) in a conveyance device used or intended for use to commit or facilitate the commission
162.13 of a felony offense involving a controlled substance;

162.14 (ii) on or in proximity to a person from whom a felony amount of controlled substance
162.15 is seized; or

162.16 (iii) on the premises where a controlled substance is seized and in proximity to the
162.17 controlled substance, if possession or sale of the controlled substance would be a felony
162.18 under chapter 152.

162.19 (b) The Department of Corrections Fugitive Apprehension Unit shall not seize items
162.20 listed in paragraph (a), clauses (3) and (4), for the purposes of forfeiture.

162.21 (c) Money is the property of an appropriate agency and may be seized and recovered by
162.22 the appropriate agency if:

162.23 (1) the money is used by an appropriate agency, or furnished to a person operating on
162.24 behalf of an appropriate agency, to purchase or attempt to purchase a controlled substance;
162.25 and

162.26 (2) the appropriate agency records the serial number or otherwise marks the money for
162.27 identification.

162.28 (d) As used in this section, "money" means United States currency and coin; the currency
162.29 and coin of a foreign country; a bank check, cashier's check, or traveler's check; a prepaid
162.30 credit card; cryptocurrency; or a money order.

163.1 (e) As used in this section, "controlled substance" does not include cannabis flower as
163.2 defined in section 342.01, subdivision 16, or cannabinoid product as defined in section
163.3 342.01, subdivision 12.

163.4 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
163.5 committed on or after that date.

163.6 Sec. 15. Minnesota Statutes 2022, section 609.5316, subdivision 2, is amended to read:

163.7 Subd. 2. **Controlled substances.** (a) Controlled substances listed in Schedule I that are
163.8 possessed, transferred, sold, or offered for sale in violation of chapter 152 or 342, are
163.9 contraband and must be seized and summarily forfeited. Controlled substances listed in
163.10 Schedule I that are seized or come into the possession of peace officers, the owners of which
163.11 are unknown, are contraband and must be summarily forfeited.

163.12 (b) Species of plants from which controlled substances in Schedules I and II may be
163.13 derived that have been planted or cultivated in violation of chapter 152 or of which the
163.14 owners or cultivators are unknown, or that are wild growths, may be seized and summarily
163.15 forfeited to the state. The appropriate agency or its authorized agent may seize the plants if
163.16 the person in occupancy or in control of land or premises where the plants are growing or
163.17 being stored fails to produce an appropriate registration or proof that the person is the holder
163.18 of appropriate registration.

163.19 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
163.20 committed on or after that date.

163.21 Sec. 16. **ORAL FLUID PRELIMINARY TESTING; PILOT PROJECT**
163.22 **AUTHORIZED.**

163.23 (a) The commissioner of public safety is authorized to design, plan, and implement a
163.24 pilot project intended to determine the efficacy of oral fluid roadside testing to determine
163.25 the presence of a controlled substance or intoxicating substance by trained law enforcement
163.26 personnel. The project is further intended to gain a better assessment of the prevalence of
163.27 drug-impaired drivers on Minnesota roads and to evaluate and validate the appropriate
163.28 device that could be authorized for use.

163.29 (b) The results of this preliminary oral fluid test must not be used in any court action.

163.30 (c) Following the screening test, additional tests may be required of the driver pursuant
163.31 to Minnesota Statutes, section 169A.51 (chemical tests for intoxication).

164.1 **EFFECTIVE DATE.** This section is effective August 1, 2023, and expires July 31,
164.2 2025.

164.3 **ARTICLE 5**
164.4 **EXPUNGEMENT**

164.5 Section 1. Minnesota Statutes 2022, section 609A.01, is amended to read:

164.6 **609A.01 EXPUNGEMENT OF CRIMINAL RECORDS.**

164.7 This chapter provides the grounds and procedures for expungement of criminal records
164.8 under section 13.82; 152.18, subdivision 1; 299C.11, where a petition is authorized under
164.9 section 609A.02, subdivision 3; expungement is automatic under section 609A.05;
164.10 expungement is considered by a panel under section 609A.06; or other applicable law. The
164.11 remedy available is limited to a court order sealing the records and prohibiting the disclosure
164.12 of their existence or their opening except under court order or statutory authority. Nothing
164.13 in this chapter authorizes the destruction of records or their return to the subject of the
164.14 records.

164.15 **EFFECTIVE DATE.** This section is effective August 1, 2023.

164.16 Sec. 2. Minnesota Statutes 2022, section 609A.03, subdivision 5, is amended to read:

164.17 Subd. 5. **Nature of remedy; standard.** (a) Except as otherwise provided by paragraph
164.18 (b), expungement of a criminal record under this section is an extraordinary remedy to be
164.19 granted only upon clear and convincing evidence that it would yield a benefit to the petitioner
164.20 commensurate with the disadvantages to the public and public safety of:

164.21 (1) sealing the record; and

164.22 (2) burdening the court and public authorities to issue, enforce, and monitor an
164.23 expungement order.

164.24 (b) Except as otherwise provided by this paragraph, if the petitioner is petitioning for
164.25 the sealing of a criminal record under section 609A.02, subdivision 3, paragraph (a), clause
164.26 (1) or (2), the court shall grant the petition to seal the record unless the agency or jurisdiction
164.27 whose records would be affected establishes by clear and convincing evidence that the
164.28 interests of the public and public safety outweigh the disadvantages to the petitioner of not
164.29 sealing the record.

164.30 (c) In making a determination under this subdivision, the court shall consider:

164.31 (1) the nature and severity of the underlying crime, the record of which would be sealed;

- 165.1 (2) the risk, if any, the petitioner poses to individuals or society;
- 165.2 (3) the length of time since the crime occurred;
- 165.3 (4) the steps taken by the petitioner toward rehabilitation following the crime;
- 165.4 (5) aggravating or mitigating factors relating to the underlying crime, including the
165.5 petitioner's level of participation and context and circumstances of the underlying crime;
- 165.6 (6) the reasons for the expungement, including the petitioner's attempts to obtain
165.7 employment, housing, or other necessities;
- 165.8 (7) the petitioner's criminal record;
- 165.9 (8) the petitioner's record of employment and community involvement;
- 165.10 (9) the recommendations of interested law enforcement, prosecutorial, and corrections
165.11 officials;
- 165.12 (10) the recommendations of victims or whether victims of the underlying crime were
165.13 minors;
- 165.14 (11) the amount, if any, of restitution outstanding, past efforts made by the petitioner
165.15 toward payment, and the measures in place to help ensure completion of restitution payment
165.16 after expungement of the record if granted; and
- 165.17 (12) other factors deemed relevant by the court.

165.18 (d) Notwithstanding section 13.82, 13.87, or any other law to the contrary, if the court
165.19 issues an expungement order it may require that the criminal record be sealed, the existence
165.20 of the record not be revealed, and the record not be opened except as required under
165.21 subdivision 7. Records must not be destroyed or returned to the subject of the record.

165.22 (e) Information relating to a criminal history record of an employee, former employee,
165.23 or tenant that has been expunged before the occurrence of the act giving rise to the civil
165.24 action may not be introduced as evidence in a civil action against a private employer or
165.25 landlord or its employees or agents that is based on the conduct of the employee, former
165.26 employee, or tenant.

165.27 **EFFECTIVE DATE.** This section is effective August 1, 2023, and applies to crimes
165.28 committed on or after that date.

165.29 Sec. 3. Minnesota Statutes 2022, section 609A.03, subdivision 9, is amended to read:

165.30 Subd. 9. **Stay of order; appeal.** An expungement order issued under this section shall
165.31 be stayed automatically for 60 days after the order is filed and, if the order is appealed,

166.1 during the appeal period. A person or an agency or jurisdiction whose records would be
166.2 affected by the order may appeal the order within 60 days of service of notice of filing of
166.3 the order. An agency or jurisdiction or its officials or employees need not file a cost bond
166.4 or supersedeas bond in order to further stay the proceedings or file an appeal.

166.5 **EFFECTIVE DATE.** This section is effective August 1, 2023.

166.6 Sec. 4. **[609A.05] AUTOMATIC EXPUNGEMENT OF CERTAIN CANNABIS**
166.7 **OFFENSES.**

166.8 Subdivision 1. **Eligibility; dismissal, exoneration, or conviction of nonfelony cannabis**
166.9 **offenses.** (a) A person is eligible for an order of expungement:

166.10 (1) upon the dismissal and discharge of proceedings against a person under section
166.11 152.18, subdivision 1, for violation of section 152.024, 152.025, or 152.027 for possession
166.12 of marijuana or tetrahydrocannabinols;

166.13 (2) if the person was convicted of or received a stayed sentence for a violation of section
166.14 152.027, subdivision 3 or 4;

166.15 (3) if the person was arrested for possession of marijuana or tetrahydrocannabinols and
166.16 all charges were dismissed prior to a determination of probable cause; or

166.17 (4) if all pending actions or proceedings involving the possession of marijuana or
166.18 tetrahydrocannabinols were resolved in favor of the person.

166.19 (b) For purposes of this section:

166.20 (1) a verdict of not guilty by reason of mental illness is not a resolution in favor of the
166.21 person; and

166.22 (2) an action or proceeding is resolved in favor of the person if the person received an
166.23 order under section 590.11 determining that the person is eligible for compensation based
166.24 on exoneration.

166.25 Subd. 2. **Bureau of Criminal Apprehension to identify eligible individuals.** (a) The
166.26 Bureau of Criminal Apprehension shall identify records that qualify for an order of
166.27 expungement pursuant to subdivision 1.

166.28 (b) The Bureau of Criminal Apprehension shall notify the judicial branch of:

166.29 (1) the name and date of birth of an individual whose record is eligible for an order of
166.30 expungement; and

166.31 (2) the case number of the eligible record.

167.1 (c) The Bureau of Criminal Apprehension shall grant an expungement to each qualifying
167.2 person whose records the bureau possesses and shall seal the bureau's records without
167.3 requiring an application, petition, or motion. The bureau shall seal records related to an
167.4 expungement within 60 days after the bureau sent notice of the expungement to the judicial
167.5 branch pursuant to paragraph (b) unless an order of the judicial branch prohibits sealing the
167.6 records or additional information establishes that the records are not eligible for expungement.

167.7 (d) Nonpublic criminal records maintained by the bureau and subject to a grant of
167.8 expungement relief must display a notation stating "expungement relief granted pursuant
167.9 to section 609A.05."

167.10 (e) The bureau shall inform each arresting or citing law enforcement agency with records
167.11 affected by the grant of expungement relief issued pursuant to paragraph (c) that expungement
167.12 has been granted. The bureau shall notify each arresting or citing law enforcement agency
167.13 of an expungement within 60 days after the bureau sent notice of the expungement to the
167.14 judicial branch. The bureau may notify each law enforcement agency using electronic means.
167.15 Upon receiving notification of an expungement, a law enforcement agency shall seal all
167.16 records related to the expungement, including the records of the person's arrest, indictment,
167.17 trial, verdict, and dismissal or discharge of the case.

167.18 (f) The Bureau of Criminal Apprehension shall make a reasonable and good faith effort
167.19 to notify any person whose record qualifies for an order of expungement or a grant of
167.20 expungement that the offense qualifies and notice is being sent to the judicial branch. Notice
167.21 sent pursuant to this paragraph shall inform the person that, following the order of
167.22 expungement, any records of an arrest, conviction, or incarceration should not appear on
167.23 any background check or study performed in Minnesota.

167.24 (g) On a schedule and in a manner established by the commissioner of human services,
167.25 the bureau shall send the commissioner of human services a list identifying the name and
167.26 case number or, if no case number is available, the citation number of each person who
167.27 received a grant of expungement.

167.28 (h) Data on a person whose offense has been expunged under this subdivision, including
167.29 any notice sent pursuant to paragraph (e), (f), or (g), are private data on individuals as defined
167.30 in section 13.02, subdivision 12.

167.31 Subd. 3. **Order of expungement.** (a) Upon receiving notice that an offense qualifies
167.32 for expungement, or upon entering an order dismissing charges prior to a determination of
167.33 probable cause, the court shall issue an order vacating the conviction, if any, discharging
167.34 the person from any form of supervision, dismissing the proceedings against that person,

168.1 and sealing all records relating to an arrest, indictment or information, trial, verdict, or
168.2 dismissal and discharge for an offense described in subdivision 1.

168.3 (b) Section 609A.03, subdivision 6, applies to an order issued under this section sealing
168.4 the record of proceedings under section 152.18.

168.5 (c) The limitations under section 609A.03, subdivision 7a, paragraph (b), do not apply
168.6 to an order issued under this section.

168.7 (d) The court administrator shall send a copy of an expungement order issued under this
168.8 section to each agency and jurisdiction whose records are affected by the terms of the order
168.9 and send a letter to the last known address of the person whose offense has been expunged
168.10 identifying each agency to which the order was sent.

168.11 (e) In consultation with the commissioner of human services, the court shall establish a
168.12 schedule on which the court shall provide the commissioner of human services and the
168.13 Professional Educator Licensing and Standards Board a list identifying the name and case
168.14 number or if no case number is available, the citation number of each person who received
168.15 an expungement order issued under this section.

168.16 (f) Data on the person whose offense has been expunged contained in a letter or other
168.17 notification sent under this subdivision are private data on individuals as defined in section
168.18 13.02.

168.19 **EFFECTIVE DATE.** This section is effective August 1, 2023.

168.20 **Sec. 5. [609A.06] EXPUNGEMENT AND RESENTENCING OF FELONY**
168.21 **CANNABIS OFFENSES.**

168.22 **Subdivision 1. Cannabis Expungement Board.** (a) The Cannabis Expungement Board
168.23 is created with the powers and duties established by law.

168.24 (b) The Cannabis Expungement Board is composed of the following members:

168.25 (1) the chief justice of the supreme court or a designee;

168.26 (2) the attorney general or a designee;

168.27 (3) one public defender, appointed by the governor upon recommendation of the state
168.28 public defender;

168.29 (4) the commissioner of one department of the state government as defined in section
168.30 15.01, appointed by the governor; and

169.1 (5) one public member with experience as an advocate for victim's rights, appointed by
169.2 the governor.

169.3 (c) The Cannabis Expungement Board shall have the following powers and duties:

169.4 (1) to obtain and review the records, including but not limited to all matters, files,
169.5 documents, and papers incident to the arrest, indictment, information, trial, appeal, or
169.6 dismissal and discharge, which relate to a charge for possession of a controlled substance;

169.7 (2) to determine whether a person committed an act involving the possession of cannabis
169.8 flower or cannabinoid products that would either be a lesser offense or no longer be a crime
169.9 after August 1, 2023;

169.10 (3) to determine whether a person's conviction should be vacated, charges should be
169.11 dismissed, and records should be expunged, or whether the person should be resentenced
169.12 to a lesser offense; and

169.13 (4) to notify the judicial branch of individuals eligible for an expungement or resentencing
169.14 to a lesser offense.

169.15 (d) The Cannabis Expungement Board shall complete the board's work by June 30, 2028.

169.16 Subd. 2. **Eligibility; possession of cannabis.** (a) A person is eligible for an expungement
169.17 or resentencing to a lesser offense if:

169.18 (1) the person was convicted of, or adjudication was stayed for, a violation of any of the
169.19 following involving the possession of marijuana or tetrahydrocannabinols:

169.20 (i) section 152.021, subdivision 2, clause (6);

169.21 (ii) section 152.022, subdivision 2, clause (6);

169.22 (iii) section 152.023, subdivision 2, clause (5); or

169.23 (iv) section 152.025, subdivision 2, clause (1).

169.24 (2) the offense did not involve a dangerous weapon, the intentional infliction of bodily
169.25 harm on another, an attempt to inflict bodily harm on another, or an act committed with the
169.26 intent to cause fear in another of immediate bodily harm or death;

169.27 (3) the act on which the charge was based would either be a lesser offense or no longer
169.28 be a crime after August 1, 2023; and

169.29 (4) the person did not appeal the sentence, any appeal was denied, or the deadline to file
169.30 an appeal has expired.

170.1 (b) For purposes of this subdivision, a "lesser offense" means a nonfelony offense if the
170.2 person was charged with a felony.

170.3 Subd. 3. **Bureau of Criminal Apprehension to identify eligible records.** (a) The
170.4 Bureau of Criminal Apprehension shall identify convictions and sentences where adjudication
170.5 was stayed that qualify for review under subdivision 2, paragraph (a), clause (1).

170.6 (b) The Bureau of Criminal Apprehension shall notify the Cannabis Expungement Board
170.7 of:

170.8 (1) the name and date of birth of a person whose record is eligible for review; and

170.9 (2) the case number of the eligible conviction or stay of adjudication.

170.10 Subd. 4. **Access to records.** The Cannabis Expungement Board shall have free access
170.11 to records, including but not limited to all matters, files, documents, and papers incident to
170.12 the arrest, indictment, information, trial, appeal, or dismissal and discharge that relate to a
170.13 charge and conviction or stay of adjudication for possession of a controlled substance held
170.14 by law enforcement agencies, prosecuting authorities, and court administrators. The Cannabis
170.15 Expungement Board may issue subpoenas for and compel the production of books, records,
170.16 accounts, documents, and papers. If any person fails or refuses to produce any books, records,
170.17 accounts, documents, or papers material in the matter under consideration after having been
170.18 lawfully required by order or subpoena, any judge of the district court in any county of the
170.19 state where the order or subpoena was made returnable, on application of the commissioner
170.20 of management and budget or commissioner of administration, as the case may be, shall
170.21 compel obedience or punish disobedience as for contempt, as in the case of disobedience
170.22 of a similar order or subpoena issued by such court.

170.23 Subd. 5. **Meetings; anonymous identifier.** (a) The Cannabis Expungement Board shall
170.24 hold meetings at least monthly and shall hold a meeting whenever the board takes formal
170.25 action on a review of a conviction or stay of adjudication for an offense involving the
170.26 possession of marijuana or tetrahydrocannabinols. All board meetings shall be open to the
170.27 public and subject to chapter 13D.

170.28 (b) Any victim of a crime being reviewed and any law enforcement agency may submit
170.29 an oral or written statement at the meeting, giving a recommendation on whether a person's
170.30 record should be expunged or the person should be resentenced to a lesser offense. The
170.31 board must consider the victim's and the law enforcement agency's statement when making
170.32 the board's decision.

171.1 (c) Section 13D.05 governs the board's treatment of not public data, as defined by section
171.2 13.02, subdivision 8a, discussed at open meetings of the board. Notwithstanding section
171.3 13.03, subdivision 11, the board shall assign an anonymous, unique identifier to each victim
171.4 of a crime and person whose conviction or stay of adjudication the board reviews. The
171.5 identifier shall be used in any discussion in a meeting open to the public and on any records
171.6 available to the public to protect the identity of the person whose records are being
171.7 considered.

171.8 Subd. 6. **Review and determination.** (a) The Cannabis Expungement Board shall review
171.9 all available records to determine whether the conviction or stay of adjudication is eligible
171.10 for an expungement or resentencing to a lesser offense. An expungement under this section
171.11 is presumed to be in the public interest unless there is clear and convincing evidence that
171.12 an expungement or resentencing to a lesser offense would create a risk to public safety.

171.13 (b) If the Cannabis Expungement Board determines that an expungement is in the public
171.14 interest, the board shall determine whether a person's conviction should be vacated and
171.15 charges should be dismissed.

171.16 (c) If the Cannabis Expungement Board determines that an expungement is in the public
171.17 interest, the board shall determine whether the limitations under section 609A.03, subdivision
171.18 5a, apply.

171.19 (d) If the Cannabis Expungement Board determines that an expungement is in the public
171.20 interest, the board shall determine whether the limitations under section 609A.03, subdivision
171.21 7a, paragraph (b), clause (4) or (5), apply.

171.22 (e) If the Cannabis Expungement Board determines that an expungement is not in the
171.23 public interest, the board shall determine whether the person is eligible for resentencing to
171.24 a lesser offense.

171.25 (f) In making a determination under this subdivision, the Cannabis Expungement Board
171.26 shall consider:

171.27 (1) the nature and severity of the underlying crime, including but not limited to the total
171.28 amount of marijuana or tetrahydrocannabinols possessed by the person and whether the
171.29 offense involved a dangerous weapon, the intentional infliction of bodily harm on another,
171.30 an attempt to inflict bodily harm on another, or an act committed with the intent to cause
171.31 fear in another of immediate bodily harm or death;

171.32 (2) whether an expungement or resentencing the person a lesser offense would increase
171.33 the risk, if any, the person poses to other individuals or society;

172.1 (3) if the person is under sentence, whether an expungement or resentencing to a lesser
172.2 offense would result in the release of the person and whether release earlier than the date
172.3 that the person would be released under the sentence currently being served would present
172.4 a danger to the public or would be compatible with the welfare of society;

172.5 (4) aggravating or mitigating factors relating to the underlying crime, including the
172.6 person's level of participation and the context and circumstances of the underlying crime;

172.7 (5) statements from victims and law enforcement, if any;

172.8 (6) if an expungement or resentencing the person to a lesser offense is considered,
172.9 whether there is good cause to restore the person's right to possess firearms and ammunition;

172.10 (7) if an expungement is considered, whether an expunged record of a conviction or stay
172.11 of adjudication may be opened for purposes of a background study under section 245C.08;

172.12 (8) if an expungement is considered, whether an expunged record of a conviction or stay
172.13 of adjudication may be opened for purposes of a background check required under section
172.14 122A.18, subdivision 8; and

172.15 (9) other factors deemed relevant by the Cannabis Expungement Board.

172.16 (g) The affirmative vote of three members is required for action taken at any meeting.

172.17 Subd. 7. **Notice to judicial branch and offenders.** (a) The Cannabis Expungement
172.18 Board shall identify any conviction or stay of adjudication that qualifies for an order of
172.19 expungement or resentencing to a lesser offense and notify the judicial branch of:

172.20 (1) the name and date of birth of a person whose conviction or stay of adjudication is
172.21 eligible for an order of expungement or resentencing to a lesser offense;

172.22 (2) the case number of the eligible conviction or stay of adjudication;

172.23 (3) whether the person is eligible for an expungement;

172.24 (4) if the person is eligible for an expungement, whether the person's conviction should
172.25 be vacated and charges should be dismissed;

172.26 (5) if the person is eligible for an expungement, whether there is good cause to restore
172.27 the offender's right to possess firearms and ammunition;

172.28 (6) if the person is eligible for an expungement, whether the limitations under section
172.29 609A.03, subdivision 7a, clause (4) or (5), apply; and

172.30 (7) if the person is eligible for resentencing to a lesser offense, the lesser sentence to be
172.31 imposed.

173.1 (b) The Cannabis Expungement Board shall make a reasonable and good faith effort to
173.2 notify any person whose conviction or stay of adjudication qualifies for an order of
173.3 expungement that the offense qualifies and notice is being sent to the judicial branch. Notice
173.4 sent pursuant to this paragraph shall inform the person that, following the order of
173.5 expungement, any records of an arrest, conviction, or incarceration should not appear on
173.6 any background check or study.

173.7 Subd. 8. **Data classification.** All data collected, created, received, maintained, or
173.8 disseminated by the Cannabis Expungement Board in which each victim of a crime and
173.9 person whose conviction or stay of adjudication that the Cannabis Expungement Board
173.10 reviews is or can be identified as the subject of the data is classified as private data on
173.11 individuals, as defined by section 13.02, subdivision 12.

173.12 Subd. 9. **Order of expungement.** (a) Upon receiving notice that an offense qualifies
173.13 for expungement, the court shall issue an order sealing all records relating to an arrest,
173.14 indictment or information, trial, verdict, or dismissal and discharge for an offense described
173.15 in subdivision 1. If the Cannabis Expungement Board determined that the person's conviction
173.16 should be vacated and charges should be dismissed, the order shall vacate and dismiss the
173.17 charges.

173.18 (b) If the Cannabis Expungement Board determined that there is good cause to restore
173.19 the person's right to possess firearms and ammunition, the court shall issue an order pursuant
173.20 to section 609.165, subdivision 1d.

173.21 (c) If the Cannabis Expungement Board determined that an expunged record of a
173.22 conviction or stay of adjudication may not be opened for purposes of a background study
173.23 under section 245C.08, the court shall direct the order specifically to the commissioner of
173.24 human services.

173.25 (d) If the Cannabis Expungement Board determined that an expunged record of a
173.26 conviction or stay of adjudication may not be opened for purposes of a background check
173.27 required under section 122A.18, subdivision 8, the court shall direct the order specifically
173.28 to the Professional Educator Licensing and Standards Board.

173.29 (e) The court administrator shall send a copy of an expungement order issued under this
173.30 section to each agency and jurisdiction whose records are affected by the terms of the order
173.31 and send a letter to the last known address of the person whose offense has been expunged
173.32 identifying each agency to which the order was sent.

173.33 (f) Data on the person whose offense has been expunged in a letter sent under this
173.34 subdivision are private data on individuals as defined in section 13.02.

174.1 Subd. 10. Resentencing. (a) If the Cannabis Expungement Board determined that a
174.2 person is eligible for resentencing to a lesser offense and the person is currently under
174.3 sentence, the court shall proceed as if the appellate court directed a reduction of the conviction
174.4 to an offense of lesser degree pursuant to rule 28.02, subdivision 12 of the Rules of Criminal
174.5 Procedure.

174.6 (b) If the Cannabis Expungement Board determined that a person is eligible for
174.7 resentencing to a lesser offense and the person completed or has been discharged from the
174.8 sentence, the court may issue an order amending the conviction to an offense of lesser degree
174.9 without holding a hearing.

174.10 (c) If the Cannabis Expungement Board determined that there is good cause to restore
174.11 the person's right to possess firearms and ammunition, the court shall, as necessary, issue
174.12 an order pursuant to section 609.165, subdivision 1d.

174.13 **EFFECTIVE DATE.** This section is effective August 1, 2023.

174.14

ARTICLE 6

174.15

MISCELLANEOUS PROVISIONS

174.16 Section 1. **[3.9224] MEDICAL CANNABIS; COMPACTS TO BE NEGOTIATED.**

174.17 Subdivision 1. Definitions. (a) As used in this section, the following terms have the
174.18 meanings given.

174.19 (b) "Indian Tribe" means a Tribe, band, nation, or other federally recognized group or
174.20 community of Indians located within the geographical boundaries of the state of Minnesota.

174.21 (c) "Medical cannabinoid product" has the meaning given in section 342.01, subdivision
174.22 47.

174.23 (d) "Medical cannabis flower" has the meaning given in section 342.01, subdivision 49.

174.24 Subd. 2. Negotiations authorized. Following a public hearing, the governor or the
174.25 governor's designated representatives are authorized to negotiate in good faith a compact
174.26 with an Indian Tribe regulating medical cannabis flower and medical cannabinoid products.
174.27 The attorney general is the legal counsel for the governor or the governor's representatives
174.28 in regard to negotiating a compact under this section. If the governor appoints designees to
174.29 negotiate under this subdivision, the designees must include at least two members of the
174.30 senate and two members of the house of representatives, two of whom must be the chairs
174.31 of the senate and house of representatives standing committees with jurisdiction over health
174.32 policy.

175.1 Subd. 3. **Terms of compact; rights of parties.** (a) A compact agreed to under this
175.2 section may address any issues related to medical cannabis flower and medical cannabinoid
175.3 products that affect the interests of both the state and Indian Tribe or otherwise have an
175.4 impact on Tribal-state relations. At a minimum, a compact agreed to on behalf of the state
175.5 under this section must address:

175.6 (1) the enforcement of criminal and civil laws;

175.7 (2) the regulation of the commercial production, processing, sale or distribution, and
175.8 possession of medical cannabis flower and medical cannabinoid products;

175.9 (3) medical and pharmaceutical research involving medical cannabis flower and medical
175.10 cannabinoid products;

175.11 (4) the taxation of medical cannabis flower and medical cannabinoid products, including
175.12 establishing an appropriate amount and method of revenue sharing;

175.13 (5) the immunities of an Indian Tribe or preemption of state law regarding the production,
175.14 processing, or sale or distribution of medical cannabis flower and medical cannabinoid
175.15 products; and

175.16 (6) the method of resolution for disputes involving the compact, including the use of
175.17 mediation or other alternative dispute resolution processes and procedures.

175.18 (b) In addressing the issues identified under paragraph (a), the governor or the governor's
175.19 designated representatives shall only enter into agreements that:

175.20 (1) provide for the preservation of public health and safety;

175.21 (2) ensure the security of production, processing, retail, and research facilities on Tribal
175.22 land; and

175.23 (3) establish provisions regulating business involving medical cannabis flower and
175.24 medical cannabinoid products that pass between Tribal land and non-Tribal land in the state.

175.25 Subd. 4. **Assessments and charges.** Notwithstanding any law to the contrary, any
175.26 compact agreed to under this section shall establish all taxes, fees, assessments, and other
175.27 charges related to the production, processing, sale or distribution, and possession of medical
175.28 cannabis flower and medical cannabinoid products.

175.29 Subd. 5. **Civil and criminal immunities.** The following acts, when performed by a
175.30 validly licensed medical cannabis retailer or an employee of a medical cannabis retailer
175.31 operated by an Indian Tribe pursuant to a compact entered into under this section, do not
175.32 constitute a criminal or civil offense under state law:

176.1 (1) the cultivation of cannabis flower, as defined in section 342.01, subdivision 16;

176.2 (2) the possession, purchase, and receipt of medical cannabis flower and medical
176.3 cannabinoid products that are properly packaged and labeled as authorized under a compact
176.4 entered into pursuant to this section; and

176.5 (3) the delivery, distribution, and sale of medical cannabis flower and medical cannabinoid
176.6 products as authorized under a compact entered into pursuant to this section and that takes
176.7 place on the premises of a medical cannabis retailer on Tribal land to any person 21 years
176.8 of age or older.

176.9 Subd. 6. **Publication; report.** (a) The governor shall post any compact entered into
176.10 under this section on a publicly accessible website.

176.11 (b) The governor, the attorney general, and the governor's designated representatives
176.12 shall report to the legislative committees having jurisdiction over health, taxation, and
176.13 commerce annually. This report shall contain information on compacts negotiated and an
176.14 outline of prospective negotiations.

176.15 Sec. 2. **[3.9228] ADULT-USE CANNABIS; COMPACTS TO BE NEGOTIATED.**

176.16 Subdivision 1. **Definitions.** (a) As used in this section, the following terms have the
176.17 meanings given.

176.18 (b) "Indian Tribe" means a Tribe, band, nation, or other federally recognized group or
176.19 community of Indians located within the geographical boundaries of the state of Minnesota.

176.20 (c) "Adult-use cannabinoid product" has the meaning given in section 342.01, subdivision
176.21 2.

176.22 (d) "Adult-use cannabis flower" has the meaning given in section 342.01, subdivision
176.23 4.

176.24 Subd. 2. **Negotiations authorized.** Following a public hearing, the governor or the
176.25 governor's designated representatives are authorized to negotiate in good faith a compact
176.26 with an Indian Tribe regulating adult-use cannabis flower and adult-use cannabinoid products.
176.27 The attorney general is the legal counsel for the governor or the governor's representatives
176.28 in regard to negotiating a compact under this section. If the governor appoints designees to
176.29 negotiate under this subdivision, the designees must include at least two members of the
176.30 senate and two members of the house of representatives, two of whom must be the chairs
176.31 of the senate and house of representatives standing committees with jurisdiction over health
176.32 policy.

177.1 Subd. 3. **Terms of compact; rights of parties.** (a) A compact agreed to under this
177.2 section may address any issues related to adult-use cannabis flower and adult-use cannabinoid
177.3 products that affect the interests of both the state and Indian Tribe or otherwise have an
177.4 impact on Tribal-state relations. At a minimum, a compact agreed to on behalf of the state
177.5 under this section must address:

177.6 (1) the enforcement of criminal and civil laws;

177.7 (2) the regulation of the commercial production, processing, sale or distribution, and
177.8 possession of adult-use cannabis flower and adult-use cannabinoid products;

177.9 (3) medical and pharmaceutical research involving adult-use cannabis flower and
177.10 adult-use cannabinoid products;

177.11 (4) the taxation of adult-use cannabis flower and adult-use cannabinoid products,
177.12 including establishing an appropriate amount and method of revenue sharing;

177.13 (5) the immunities of an Indian Tribe or preemption of state law regarding the production,
177.14 processing, or sale or distribution of adult-use cannabis flower and adult-use cannabinoid
177.15 products; and

177.16 (6) the method of resolution for disputes involving the compact, including the use of
177.17 mediation or other alternative dispute resolution processes and procedures.

177.18 (b) In addressing the issues identified under paragraph (a), the governor or the governor's
177.19 designee shall only enter into agreements that:

177.20 (1) provide for the preservation of public health and safety;

177.21 (2) ensure the security of production, processing, retail, and research facilities on Tribal
177.22 land; and

177.23 (3) establish provisions regulating business involving adult-use cannabis flower and
177.24 adult-use cannabinoid products that pass between Tribal land and non-Tribal land in the
177.25 state.

177.26 Subd. 4. **Assessments and charges.** Notwithstanding any law to the contrary, any
177.27 compact agreed to under this section shall establish all taxes, fees, assessments, and other
177.28 charges related to the production, processing, sale or distribution, and possession of adult-use
177.29 cannabis flower and adult-use cannabinoid products.

177.30 Subd. 5. **Civil and criminal immunities.** The following acts, when performed by a
177.31 validly licensed cannabis retailer or an employee of a cannabis retailer operated by an Indian

178.1 Tribe pursuant to a compact entered into under this section, do not constitute a criminal or
178.2 civil offense under state law:

178.3 (1) the cultivation of cannabis flower, as defined in section 342.01, subdivision 16;

178.4 (2) the possession, purchase, and receipt of adult-use cannabis flower and adult-use
178.5 cannabinoid products that are properly packaged and labeled as authorized under a compact
178.6 entered into pursuant to this section; and

178.7 (3) the delivery, distribution, and sale of adult-use cannabis flower and adult-use
178.8 cannabinoid products as authorized under a compact entered into pursuant to this section
178.9 and that takes place on the premises of a medical cannabis retailer on Tribal land to any
178.10 person 21 years of age or older.

178.11 Subd. 6. **Publication; report.** (a) The governor shall post any compact entered into
178.12 under this section on a publicly accessible website.

178.13 (b) The governor, the attorney general, and the governor's designee shall report to the
178.14 legislative committees having jurisdiction over health, taxation, and commerce annually.
178.15 This report shall contain information on compacts negotiated and an outline of prospective
178.16 negotiations.

178.17 Sec. 3. Minnesota Statutes 2022, section 13.411, is amended by adding a subdivision to
178.18 read:

178.19 Subd. 12. **Cannabis businesses.** Data submitted to the Office of Cannabis Management
178.20 for a cannabis business license and data relating to investigations and disciplinary proceedings
178.21 involving cannabis businesses licensed by the Office of Cannabis Management are classified
178.22 under section 342.18, subdivision 6.

178.23 Sec. 4. Minnesota Statutes 2022, section 13.871, is amended by adding a subdivision to
178.24 read:

178.25 Subd. 15. **Cannabis Expungement Board records.** Data collected, created, received,
178.26 maintained, or disseminated by the Cannabis Expungement Board are classified under
178.27 section 609A.06, subdivision 8.

178.28 Sec. 5. Minnesota Statutes 2022, section 34A.01, subdivision 4, is amended to read:

178.29 Subd. 4. **Food.** "Food" means every ingredient used for, entering into the consumption
178.30 of, or used or intended for use in the preparation of food, drink, confectionery, or condiment
178.31 for humans or other animals, whether simple, mixed, or compound; and articles used as

179.1 components of these ingredients, except that edible cannabinoid products, as defined in
179.2 section ~~151.72, subdivision 1, paragraph (e)~~ 342.01, subdivision 29, are not food.

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

179.4 Sec. 6. **[120B.215] EDUCATION ON CANNABIS USE AND SUBSTANCE USE.**

179.5 Subdivision 1. **Model program.** The commissioner of education, in consultation with
179.6 the commissioners of health and human services, local district and school health education
179.7 specialists, and other qualified experts, shall identify one or more model programs that may
179.8 be used to educate middle school and high school students on the health effects on children
179.9 and adolescents of cannabis use and substance use consistent with local standards as required
179.10 in section 120B.021, subdivision 1, paragraph (a), clause (6), for elementary and secondary
179.11 school students. The commissioner must publish a list of model programs that include
179.12 written materials, curriculum resources, and training for instructors by June 1, 2025. A
179.13 model program identified by the commissioner must be medically accurate, age and
179.14 developmentally appropriate, culturally inclusive, and grounded in science, and must address:

179.15 (1) the physical and mental health effects of cannabis use and substance use by children
179.16 and adolescents, including effects on the developing brains of children and adolescents;

179.17 (2) unsafe or unhealthy behaviors associated with cannabis use and substance use;

179.18 (3) signs of substance use disorders;

179.19 (4) treatment options; and

179.20 (5) healthy coping strategies for children and adolescents.

179.21 Subd. 2. **School programs.** (a) Starting in the 2026-2027 school year, a school district
179.22 or charter school must implement a comprehensive education program on cannabis use and
179.23 substance use for students in middle school and high school. The program must include
179.24 instruction on the topics listed in subdivision 1 and must:

179.25 (1) respect community values and encourage students to communicate with parents,
179.26 guardians, and other trusted adults about cannabis use and substance use; and

179.27 (2) refer students to local resources where students may obtain medically accurate
179.28 information about cannabis use and substance use, and treatment for a substance use disorder.

179.29 (b) District efforts to develop, implement, or improve instruction or curriculum as a
179.30 result of the provisions of this section must be consistent with sections 120B.10 and 120B.11.

180.1 Subd. 3. **Parental review.** Notwithstanding any law to the contrary, each school district
180.2 shall have a procedure for a parent, a guardian, or an adult student 18 years of age or older
180.3 to review the content of the instructional materials to be provided to a minor child or to an
180.4 adult student pursuant to this section. The district or charter school must allow a parent or
180.5 adult student to opt out of instruction under this section with no academic or other penalty
180.6 for the student and must inform parents and adult students of this right to opt out.

180.7 Subd. 4. **Youth council.** A school district or charter school may establish one or more
180.8 youth councils in which student members of the council receive education and training on
180.9 cannabis use and substance use and provide peer-to-peer education on these topics.

180.10 **Sec. 7. [144.196] CANNABIS DATA COLLECTION AND BIENNIAL REPORTS.**

180.11 Subdivision 1. **General.** The commissioner of health shall engage in research and data
180.12 collection activities to measure the prevalence of cannabis flower use and the use of
180.13 cannabinoid products in the state by persons under 21 years of age and by persons 21 years
180.14 of age or older. In order to collect data, the commissioner may modify existing data collection
180.15 tools used by the department or other state agencies or may establish one or more new data
180.16 collection tools.

180.17 Subd. 2. **Statewide assessment; baseline data; updates.** (a) The commissioner shall
180.18 conduct a statewide assessment to establish a baseline for the prevalence of cannabis flower
180.19 use and the use of cannabinoid products in the state broken out by:

180.20 (1) the current age of the customer;

180.21 (2) the age at which the customer began consuming cannabis flower or cannabinoid
180.22 products;

180.23 (3) whether the customer consumes cannabis flower or cannabinoid products, and by
180.24 type of cannabinoid product that the customer consumes, if applicable;

180.25 (4) the amount of cannabis flower or cannabinoid product typically consumed at one
180.26 time;

180.27 (5) the typical frequency of consumption; and

180.28 (6) other criteria specified by the commissioner.

180.29 (b) The initial assessment must be completed by July 1, 2024. The commissioner shall
180.30 collect updated data under this subdivision at least every two years thereafter.

180.31 Subd. 3. **Reports.** Beginning January 1, 2025, and every two years thereafter, the
180.32 commissioner shall issue a public report on the prevalence of cannabis flower use and the

181.1 use of cannabinoid products in the state by persons under age 21 and by persons age 21 or
181.2 older. The report may include recommendations from the commissioner for changes to this
181.3 chapter that would discourage or prevent personal use of cannabis flower or cannabinoid
181.4 products by persons under age 21, that would discourage personal use of cannabis flower
181.5 or cannabinoid products by pregnant or breastfeeding women, that would prevent access to
181.6 cannabis flower or cannabinoid products by young children, or that would otherwise promote
181.7 public health.

181.8 Sec. 8. **[144.197] CANNABIS EDUCATION PROGRAMS.**

181.9 **Subdivision 1. Youth education.** The commissioner of health shall conduct a long-term,
181.10 coordinated education program to raise public awareness about and address the top three
181.11 adverse health effects, as determined by the commissioner, associated with the use of
181.12 cannabis flower or cannabinoid products by persons under age 21. In conducting this
181.13 education program, the commissioner shall engage and consult with youth around the state
181.14 on program content and on methods to effectively disseminate program information to youth
181.15 around the state.

181.16 **Subd. 2. Education for pregnant and breastfeeding women; women who may become**
181.17 **pregnant.** The commissioner of health shall conduct a long-term, coordinated program to
181.18 educate pregnant women, breastfeeding women, and women who may become pregnant on
181.19 the adverse health effects of prenatal exposure to cannabis flower or cannabinoid products
181.20 and on the adverse health effects experienced by infants and children who are exposed to
181.21 cannabis flower or cannabinoid products in breast milk, from secondhand smoke, or by
181.22 ingesting cannabinoid products. This education program must also educate women on what
181.23 constitutes a substance use disorder, signs of a substance use disorder, and treatment options
181.24 for persons with a substance use disorder.

181.25 **Subd. 3. Home visiting programs.** The commissioner of health shall provide training,
181.26 technical assistance, and education materials to local public health home visiting programs
181.27 and Tribal home visiting programs regarding the safe and unsafe use of cannabis flower or
181.28 cannabinoid products in homes with infants and young children. Training, technical
181.29 assistance, and education materials shall address substance use, the signs of a substance use
181.30 disorder, treatment options for persons with a substance use disorder, the dangers of driving
181.31 under the influence of cannabis flower or cannabinoid products, how to safely consume
181.32 cannabis flower or cannabinoid products in homes with infants and young children, and
181.33 how to prevent infants and young children from being exposed to cannabis flower or
181.34 cannabinoid products by ingesting cannabinoid products or through secondhand smoke.

182.1 Sec. 9. Minnesota Statutes 2022, section 181.938, subdivision 2, is amended to read:

182.2 Subd. 2. **Prohibited practice.** (a) An employer may not refuse to hire a job applicant
182.3 or discipline or discharge an employee because the applicant or employee engages in or has
182.4 engaged in the use or enjoyment of lawful consumable products, if the use or enjoyment
182.5 takes place off the premises of the employer during nonworking hours. For purposes of this
182.6 section, "lawful consumable products" means products whose use or enjoyment is lawful
182.7 and which are consumed during use or enjoyment, and includes food, alcoholic or
182.8 nonalcoholic beverages, ~~and~~ tobacco, cannabis flower, as defined in section 342.01,
182.9 subdivision 16, and cannabinoid products, as defined in section 342.01, subdivision 12.

182.10 (b) Cannabis flower and cannabinoid products are lawful consumable products for the
182.11 purpose of Minnesota law, regardless of whether federal or other state law considers cannabis
182.12 use, possession, impairment, sale, or transfer to be unlawful. Nothing in this section shall
182.13 be construed to limit an employer's ability to discipline or discharge an employee for cannabis
182.14 flower or cannabinoid product use, possession, impairment, sale, or transfer during working
182.15 hours, on work premises, or while operating an employer's vehicle, machinery, or equipment.

182.16 Sec. 10. Minnesota Statutes 2022, section 181.950, subdivision 2, is amended to read:

182.17 Subd. 2. **Confirmatory test; confirmatory retest.** "Confirmatory test" and "confirmatory
182.18 retest" mean a drug or alcohol test or cannabis test that uses a method of analysis allowed
182.19 under one of the programs listed in section 181.953, subdivision 1.

182.20 Sec. 11. Minnesota Statutes 2022, section 181.950, subdivision 4, is amended to read:

182.21 Subd. 4. **Drug.** "Drug" means a controlled substance as defined in section 152.01,
182.22 subdivision 4, but does not include marijuana, tetrahydrocannabinols, cannabis flower as
182.23 defined in section 342.01, subdivision 16, or cannabinoid products as defined in section
182.24 342.01, subdivision 12.

182.25 Sec. 12. Minnesota Statutes 2022, section 181.950, subdivision 5, is amended to read:

182.26 Subd. 5. **Drug and alcohol testing.** "Drug and alcohol testing," "drug or alcohol testing,"
182.27 and "drug or alcohol test" mean analysis of a body component sample according to the
182.28 standards established under one of the programs listed in section 181.953, subdivision 1,
182.29 for the purpose of measuring the presence or absence of drugs, alcohol, or their metabolites
182.30 in the sample tested. "Drug and alcohol testing," "drug or alcohol testing," and "drug or
182.31 alcohol test" do not include cannabis or cannabis testing, unless stated otherwise.

183.1 Sec. 13. Minnesota Statutes 2022, section 181.950, is amended by adding a subdivision
183.2 to read:

183.3 Subd. 5a. **Cannabis testing.** "Cannabis testing" means the analysis of a body component
183.4 sample according to the standards established under one of the programs listed in section
183.5 181.953, subdivision 1, for the purpose of measuring the presence or absence of cannabis
183.6 flower, as defined in section 342.01, subdivision 16, cannabinoid products, as defined in
183.7 section 342.01, subdivision 12, or cannabis metabolites in the sample tested. The definitions
183.8 in this section apply to cannabis testing unless stated otherwise.

183.9 Sec. 14. Minnesota Statutes 2022, section 181.950, subdivision 8, is amended to read:

183.10 Subd. 8. **Initial screening test.** "Initial screening test" means a drug or alcohol test or
183.11 cannabis test which uses a method of analysis under one of the programs listed in section
183.12 181.953, subdivision 1.

183.13 Sec. 15. Minnesota Statutes 2022, section 181.950, subdivision 13, is amended to read:

183.14 Subd. 13. **Safety-sensitive position.** "Safety-sensitive position" means a job, including
183.15 any supervisory or management position, in which an impairment caused by drug ~~or~~, alcohol,
183.16 or cannabis usage would threaten the health or safety of any person.

183.17 Sec. 16. Minnesota Statutes 2022, section 181.951, is amended by adding a subdivision
183.18 to read:

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

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

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

183.29 (d) An employer may request or require an employee to undergo cannabis testing
183.30 conducted by a testing laboratory that participates in one of the programs listed in section
183.31 181.953, subdivision 1, if the employer has a reasonable suspicion that while the employee

184.1 is working or while the employee is on the employer's premises or operating the employer's
184.2 vehicle, machinery, or equipment, the employee:

184.3 (1) as the result of consuming cannabis flower or a cannabinoid product, does not possess
184.4 that clearness of intellect and control of self that the employee otherwise would have;

184.5 (2) has violated the employer's written work rules prohibiting cannabis use, possession,
184.6 impairment, sale, or transfer, provided that the work rules for cannabis and cannabis testing
184.7 are in writing and in a written policy that contains the minimum information required in
184.8 section 181.952; or

184.9 (3) has sustained a personal injury or has a caused a work-related accident as provided
184.10 in subdivision 5, clauses (3) and (4).

184.11 (e) Cannabis testing authorized under paragraph (d) must comply with the safeguards
184.12 for testing employees provided in sections 181.953 and 181.954.

184.13 Sec. 17. Minnesota Statutes 2022, section 181.951, is amended by adding a subdivision
184.14 to read:

184.15 Subd. 9. **Cannabis testing exceptions.** For the following positions, cannabis and its
184.16 metabolites are considered a drug and subject to the drug and alcohol testing provisions in
184.17 sections 181.950 to 181.957:

184.18 (1) a safety-sensitive position, as defined in section 181.950, subdivision 13;

184.19 (2) a peace officer position, as defined in section 626.84, subdivision 1;

184.20 (3) a firefighter position, as defined in section 299N.01, subdivision 3;

184.21 (4) a position requiring face-to-face care, training, education, supervision, counseling,
184.22 consultation, or medical assistance to:

184.23 (i) children;

184.24 (ii) vulnerable adults, as defined in section 626.5572, subdivision 21; or

184.25 (iii) patients who receive health care services from a provider for the treatment,
184.26 examination, or emergency care of a medical, psychiatric, or mental condition;

184.27 (5) a position requiring a commercial driver's license or requiring an employee to operate
184.28 a motor vehicle for which state or federal law requires drug or alcohol testing of a job
184.29 applicant or an employee;

184.30 (6) a position of employment funded by a federal grant; or

185.1 (7) any other position for which state or federal law requires testing of a job applicant
185.2 or an employee for cannabis.

185.3 Sec. 18. Minnesota Statutes 2022, section 181.952, is amended by adding a subdivision
185.4 to read:

185.5 Subd. 3. **Cannabis policy.** (a) Unless otherwise provided by state or federal law, an
185.6 employer is not required to permit or accommodate cannabis flower or cannabinoid product
185.7 use, possession, impairment, sale, or transfer while an employee is working or while an
185.8 employee is on the employer's premises or operating the employer's vehicle, machinery, or
185.9 equipment.

185.10 (b) An employer may enact and enforce written work rules prohibiting cannabis flower
185.11 and cannabinoid product use, possession, impairment, sale, or transfer while an employee
185.12 is working or while an employee is on the employer's premises or operating the employer's
185.13 vehicle, machinery, or equipment in a written policy that contains the minimum information
185.14 required by this section.

185.15 Sec. 19. Minnesota Statutes 2022, section 181.953, is amended to read:

185.16 **181.953 RELIABILITY AND FAIRNESS SAFEGUARDS.**

185.17 **Subdivision 1. Use of licensed, accredited, or certified laboratory required.** (a) An
185.18 employer who requests or requires an employee or job applicant to undergo drug or alcohol
185.19 testing or cannabis testing shall use the services of a testing laboratory that meets one of
185.20 the following criteria for drug testing:

185.21 (1) is certified by the National Institute on Drug Abuse as meeting the mandatory
185.22 guidelines published at 53 Federal Register 11970 to 11989, April 11, 1988;

185.23 (2) is accredited by the College of American Pathologists, 325 Waukegan Road,
185.24 Northfield, Illinois, 60093-2750, under the forensic urine drug testing laboratory program;
185.25 or

185.26 (3) is licensed to test for drugs by the state of New York, Department of Health, under
185.27 Public Health Law, article 5, title V, and rules adopted under that law.

185.28 (b) For alcohol testing, the laboratory must either be:

185.29 (1) licensed to test for drugs and alcohol by the state of New York, Department of Health,
185.30 under Public Health Law, article 5, title V, and the rules adopted under that law; or

186.1 (2) accredited by the College of American Pathologists, 325 Waukegan Road, Northfield,
186.2 Illinois, 60093-2750, in the laboratory accreditation program.

186.3 **Subd. 3. Laboratory testing, reporting, and sample retention requirements.** A testing
186.4 laboratory that is not certified by the National Institute on Drug Abuse according to
186.5 subdivision 1 shall follow the chain-of-custody procedures prescribed for employers in
186.6 subdivision 5. A testing laboratory shall conduct a confirmatory test on all samples that
186.7 produced a positive test result on an initial screening test. A laboratory shall disclose to the
186.8 employer a written test result report for each sample tested within three working days after
186.9 a negative test result on an initial screening test or, when the initial screening test produced
186.10 a positive test result, within three working days after a confirmatory test. A test report must
186.11 indicate the drugs, alcohol, ~~or~~ drug or alcohol metabolites, or cannabis or cannabis
186.12 metabolites tested for and whether the test produced negative or positive test results. A
186.13 laboratory shall retain and properly store for at least six months all samples that produced
186.14 a positive test result.

186.15 **Subd. 4. Prohibitions on employers.** An employer may not conduct drug or alcohol
186.16 testing or cannabis testing of its own employees and job applicants using a testing laboratory
186.17 owned and operated by the employer; except that, one agency of the state may test the
186.18 employees of another agency of the state. Except as provided in subdivision 9, an employer
186.19 may not request or require an employee or job applicant to contribute to, or pay the cost of,
186.20 drug or alcohol testing or cannabis testing under sections 181.950 to 181.954.

186.21 **Subd. 5. Employer chain-of-custody procedures.** An employer shall establish its own
186.22 reliable chain-of-custody procedures to ensure proper record keeping, handling, labeling,
186.23 and identification of the samples to be tested. The procedures must require the following:

186.24 (1) possession of a sample must be traceable to the employee from whom the sample is
186.25 collected, from the time the sample is collected through the time the sample is delivered to
186.26 the laboratory;

186.27 (2) the sample must always be in the possession of, must always be in view of, or must
186.28 be placed in a secured area by a person authorized to handle the sample;

186.29 (3) a sample must be accompanied by a written chain-of-custody record; and

186.30 (4) individuals relinquishing or accepting possession of the sample must record the time
186.31 the possession of the sample was transferred and must sign and date the chain-of-custody
186.32 record at the time of transfer.

187.1 Subd. 6. **Rights of employees and job applicants.** (a) Before requesting an employee
187.2 or job applicant to undergo drug or alcohol testing or requesting cannabis testing, an employer
187.3 shall provide the employee or job applicant with a form, developed by the employer, on
187.4 which to acknowledge that the employee or job applicant has seen the employer's drug and
187.5 alcohol testing or cannabis testing policy.

187.6 (b) If an employee or job applicant tests positive for drug use, the employee must be
187.7 given written notice of the right to explain the positive test and the employer may request
187.8 that the employee or job applicant indicate any over-the-counter or prescription medication
187.9 that the individual is currently taking or has recently taken and any other information relevant
187.10 to the reliability of, or explanation for, a positive test result.

187.11 (c) Within three working days after notice of a positive test result on a confirmatory test,
187.12 the employee or job applicant may submit information to the employer, in addition to any
187.13 information already submitted under paragraph (b), to explain that result, or may request a
187.14 confirmatory retest of the original sample at the employee's or job applicant's own expense
187.15 as provided under subdivision 9.

187.16 Subd. 7. **Notice of test results.** Within three working days after receipt of a test result
187.17 report from the testing laboratory, an employer shall inform in writing an employee or job
187.18 applicant who has undergone drug or alcohol testing or cannabis testing of (1) a negative
187.19 test result on an initial screening test or of a negative or positive test result on a confirmatory
187.20 test and (2) the right provided in subdivision 8. In the case of a positive test result on a
187.21 confirmatory test, the employer shall also, at the time of this notice, inform the employee
187.22 or job applicant in writing of the rights provided in subdivisions 6, paragraph (b), 9, and
187.23 either subdivision 10 or 11, whichever applies.

187.24 Subd. 8. **Right to test result report.** An employee or job applicant has the right to
187.25 request and receive from the employer a copy of the test result report on any drug or alcohol
187.26 test or cannabis test.

187.27 Subd. 9. **Confirmatory retests.** An employee or job applicant may request a confirmatory
187.28 retest of the original sample at the employee's or job applicant's own expense after notice
187.29 of a positive test result on a confirmatory test. Within five working days after notice of the
187.30 confirmatory test result, the employee or job applicant shall notify the employer in writing
187.31 of the employee's or job applicant's intention to obtain a confirmatory retest. Within three
187.32 working days after receipt of the notice, the employer shall notify the original testing
187.33 laboratory that the employee or job applicant has requested the laboratory to conduct the
187.34 confirmatory retest or transfer the sample to another laboratory licensed under subdivision

188.1 1 to conduct the confirmatory retest. The original testing laboratory shall ensure that the
188.2 chain-of-custody procedures in subdivision 3 are followed during transfer of the sample to
188.3 the other laboratory. The confirmatory retest must use the same drug ~~or~~, alcohol, or cannabis
188.4 threshold detection levels as used in the original confirmatory test. If the confirmatory retest
188.5 does not confirm the original positive test result, no adverse personnel action based on the
188.6 original confirmatory test may be taken against the employee or job applicant.

188.7 **Subd. 10. Limitations on employee discharge, discipline, or discrimination.** (a) An
188.8 employer may not discharge, discipline, discriminate against, or request or require
188.9 rehabilitation of an employee on the basis of a positive test result from an initial screening
188.10 test that has not been verified by a confirmatory test.

188.11 (b) In addition to the limitation under paragraph (a), an employer may not discharge an
188.12 employee for whom a positive test result on a confirmatory test was the first such result for
188.13 the employee on a drug or alcohol test or cannabis test requested by the employer unless
188.14 the following conditions have been met:

188.15 (1) the employer has first given the employee an opportunity to participate in, at the
188.16 employee's own expense or pursuant to coverage under an employee benefit plan, either a
188.17 drug ~~or~~, alcohol, or cannabis counseling or rehabilitation program, whichever is more
188.18 appropriate, as determined by the employer after consultation with a certified chemical use
188.19 counselor or a physician trained in the diagnosis and treatment of substance use disorder;
188.20 and

188.21 (2) the employee has either refused to participate in the counseling or rehabilitation
188.22 program or has failed to successfully complete the program, as evidenced by withdrawal
188.23 from the program before its completion or by a positive test result on a confirmatory test
188.24 after completion of the program.

188.25 (c) Notwithstanding paragraph (a), an employer may temporarily suspend the tested
188.26 employee or transfer that employee to another position at the same rate of pay pending the
188.27 outcome of the confirmatory test and, if requested, the confirmatory retest, provided the
188.28 employer believes that it is reasonably necessary to protect the health or safety of the
188.29 employee, coemployees, or the public. An employee who has been suspended without pay
188.30 must be reinstated with back pay if the outcome of the confirmatory test or requested
188.31 confirmatory retest is negative.

188.32 (d) An employer may not discharge, discipline, discriminate against, or request or require
188.33 rehabilitation of an employee on the basis of medical history information revealed to the

189.1 employer pursuant to subdivision 6 unless the employee was under an affirmative duty to
189.2 provide the information before, upon, or after hire.

189.3 (e) An employee must be given access to information in the employee's personnel file
189.4 relating to positive test result reports and other information acquired in the drug and alcohol
189.5 testing process or cannabis testing process and conclusions drawn from and actions taken
189.6 based on the reports or other acquired information.

189.7 Subd. 10a. **Additional limitations for cannabis.** An employer may discipline, discharge,
189.8 or take other adverse personnel action against an employee for cannabis flower or
189.9 cannabinoid product use, possession, impairment, sale, or transfer while an employee is
189.10 working, on the employer's premises, or operating the employer's vehicle, machinery, or
189.11 equipment as follows:

189.12 (1) if, as the result of consuming cannabis flower or a cannabinoid product, the employee
189.13 does not possess that clearness of intellect and control of self that the employee otherwise
189.14 would have;

189.15 (2) if cannabis testing that the employer requested or required pursuant to section 181.951,
189.16 subdivision 8, paragraphs (d) and (e), verifies the presence of cannabis following a
189.17 confirmatory test;

189.18 (3) as provided in the employer's written work rules for cannabis and cannabis testing,
189.19 provided that the rules are in writing and in a written policy that contains the minimum
189.20 information required by section 181.952; or

189.21 (4) as otherwise authorized under state or federal law.

189.22 Subd. 11. **Limitation on withdrawal of job offer.** If a job applicant has received a job
189.23 offer made contingent on the applicant passing drug and alcohol testing, the employer may
189.24 not withdraw the offer based on a positive test result from an initial screening test that has
189.25 not been verified by a confirmatory test.

189.26 Sec. 20. Minnesota Statutes 2022, section 181.954, is amended to read:

189.27 **181.954 PRIVACY, CONFIDENTIALITY, AND PRIVILEGE SAFEGUARDS.**

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

189.31 Subd. 2. **Confidentiality limitations.** Test result reports and other information acquired
189.32 in the drug or alcohol testing or cannabis testing process are, with respect to private sector

190.1 employees and job applicants, private and confidential information, and, with respect to
190.2 public sector employees and job applicants, private data on individuals as that phrase is
190.3 defined in chapter 13, and may not be disclosed by an employer or laboratory to another
190.4 employer or to a third-party individual, governmental agency, or private organization without
190.5 the written consent of the employee or job applicant tested.

190.6 Subd. 3. **Exceptions to privacy and confidentiality disclosure**
190.7 **limitations.** Notwithstanding subdivisions 1 and 2, evidence of a positive test result on a
190.8 confirmatory test may be: (1) used in an arbitration proceeding pursuant to a collective
190.9 bargaining agreement, an administrative hearing under chapter 43A or other applicable state
190.10 or local law, or a judicial proceeding, provided that information is relevant to the hearing
190.11 or proceeding; (2) disclosed to any federal agency or other unit of the United States
190.12 government as required under federal law, regulation, or order, or in accordance with
190.13 compliance requirements of a federal government contract; and (3) disclosed to a substance
190.14 abuse treatment facility for the purpose of evaluation or treatment of the employee.

190.15 Subd. 4. **Privilege.** Positive test results from an employer drug or alcohol testing or
190.16 cannabis testing program may not be used as evidence in a criminal action against the
190.17 employee or job applicant tested.

190.18 Sec. 21. Minnesota Statutes 2022, section 181.955, is amended to read:

190.19 **181.955 CONSTRUCTION.**

190.20 Subdivision 1. **Freedom to collectively bargain.** Sections 181.950 to 181.954 shall not
190.21 be construed to limit the parties to a collective bargaining agreement from bargaining and
190.22 agreeing with respect to a drug and alcohol testing or a cannabis testing policy that meets
190.23 or exceeds, and does not otherwise conflict with, the minimum standards and requirements
190.24 for employee protection provided in those sections.

190.25 Subd. 2. **Employee protections under existing collective bargaining**
190.26 **agreements.** Sections 181.950 to 181.954 shall not be construed to interfere with or diminish
190.27 any employee protections relating to drug and alcohol testing or cannabis testing already
190.28 provided under collective bargaining agreements in effect on the effective date of those
190.29 sections that exceed the minimum standards and requirements for employee protection
190.30 provided in those sections.

190.31 Subd. 3. **Professional athletes.** Sections 181.950 to 181.954 shall not be construed to
190.32 interfere with the operation of a drug and alcohol testing or cannabis testing program if:

191.1 (1) the drug and alcohol testing program is permitted under a contract between the
191.2 employer and employees; and

191.3 (2) the covered employees are employed as professional athletes.

191.4 Upon request of the commissioner of labor and industry, the exclusive representative
191.5 of the employees and the employer shall certify to the commissioner of labor and industry
191.6 that the drug and alcohol testing or cannabis testing program permitted under the contract
191.7 should operate without interference from the sections specified in this subdivision. This
191.8 subdivision must not be construed to create an exemption from controlled substance crimes
191.9 in chapter 152.

191.10 Sec. 22. Minnesota Statutes 2022, section 181.957, subdivision 1, is amended to read:

191.11 Subdivision 1. **Excluded employees and job applicants.** Except as provided under
191.12 subdivision 2, the employee and job applicant protections provided under sections 181.950
191.13 to 181.956 do not apply to employees and job applicants where the specific work performed
191.14 requires those employees and job applicants to be subject to drug and alcohol testing pursuant
191.15 to:

191.16 (1) federal regulations that specifically preempt state regulation of drug and alcohol
191.17 testing or cannabis testing with respect to those employees and job applicants;

191.18 (2) federal regulations or requirements necessary to operate federally regulated facilities;

191.19 (3) federal contracts where the drug and alcohol testing or cannabis testing is conducted
191.20 for security, safety, or protection of sensitive or proprietary data; or

191.21 (4) state agency rules that adopt federal regulations applicable to the interstate component
191.22 of a federally regulated industry, and the adoption of those rules is for the purpose of
191.23 conforming the nonfederally regulated intrastate component of the industry to identical
191.24 regulation.

191.25 Sec. 23. Minnesota Statutes 2022, section 245C.08, subdivision 1, is amended to read:

191.26 Subdivision 1. **Background studies conducted by Department of Human Services.** (a)
191.27 For a background study conducted by the Department of Human Services, the commissioner
191.28 shall review:

191.29 (1) information related to names of substantiated perpetrators of maltreatment of
191.30 vulnerable adults that has been received by the commissioner as required under section
191.31 626.557, subdivision 9c, paragraph (j);

192.1 (2) the commissioner's records relating to the maltreatment of minors in licensed
192.2 programs, and from findings of maltreatment of minors as indicated through the social
192.3 service information system;

192.4 (3) information from juvenile courts as required in subdivision 4 for individuals listed
192.5 in section 245C.03, subdivision 1, paragraph (a), when there is reasonable cause;

192.6 (4) information from the Bureau of Criminal Apprehension, including information
192.7 regarding a background study subject's registration in Minnesota as a predatory offender
192.8 under section 243.166;

192.9 (5) except as provided in clause (6), information received as a result of submission of
192.10 fingerprints for a national criminal history record check, as defined in section 245C.02,
192.11 subdivision 13c, when the commissioner has reasonable cause for a national criminal history
192.12 record check as defined under section 245C.02, subdivision 15a, or as required under section
192.13 144.057, subdivision 1, clause (2);

192.14 (6) for a background study related to a child foster family setting application for licensure,
192.15 foster residence settings, children's residential facilities, a transfer of permanent legal and
192.16 physical custody of a child under sections 260C.503 to 260C.515, or adoptions, and for a
192.17 background study required for family child care, certified license-exempt child care, child
192.18 care centers, and legal nonlicensed child care authorized under chapter 119B, the
192.19 commissioner shall also review:

192.20 (i) information from the child abuse and neglect registry for any state in which the
192.21 background study subject has resided for the past five years;

192.22 (ii) when the background study subject is 18 years of age or older, or a minor under
192.23 section 245C.05, subdivision 5a, paragraph (c), information received following submission
192.24 of fingerprints for a national criminal history record check; and

192.25 (iii) when the background study subject is 18 years of age or older or a minor under
192.26 section 245C.05, subdivision 5a, paragraph (d), for licensed family child care, certified
192.27 license-exempt child care, licensed child care centers, and legal nonlicensed child care
192.28 authorized under chapter 119B, information obtained using non-fingerprint-based data
192.29 including information from the criminal and sex offender registries for any state in which
192.30 the background study subject resided for the past five years and information from the national
192.31 crime information database and the national sex offender registry; and

192.32 (7) for a background study required for family child care, certified license-exempt child
192.33 care centers, licensed child care centers, and legal nonlicensed child care authorized under

193.1 chapter 119B, the background study shall also include, to the extent practicable, a name
193.2 and date-of-birth search of the National Sex Offender Public website.

193.3 (b) Except as otherwise provided in this paragraph, notwithstanding expungement by a
193.4 court, the commissioner may consider information obtained under paragraph (a), clauses
193.5 (3) and (4), unless the commissioner received notice of the petition for expungement and
193.6 the court order for expungement is directed specifically to the commissioner. The
193.7 commissioner may not consider information obtained under paragraph (a), clauses (3) and
193.8 (4), or from any other source that identifies a violation of chapter 152 without determining
193.9 if the offense involved the possession of marijuana or tetrahydrocannabinol and, if so,
193.10 whether the person received a grant of expungement or order of expungement, or the person
193.11 was resentenced to a lesser offense. If the person received a grant of expungement or order
193.12 of expungement, the commissioner may not consider information related to that violation
193.13 but may consider any other relevant information arising out of the same incident.

193.14 (c) The commissioner shall also review criminal case information received according
193.15 to section 245C.04, subdivision 4a, from the Minnesota court information system that relates
193.16 to individuals who have already been studied under this chapter and who remain affiliated
193.17 with the agency that initiated the background study.

193.18 (d) When the commissioner has reasonable cause to believe that the identity of a
193.19 background study subject is uncertain, the commissioner may require the subject to provide
193.20 a set of classifiable fingerprints for purposes of completing a fingerprint-based record check
193.21 with the Bureau of Criminal Apprehension. Fingerprints collected under this paragraph
193.22 shall not be saved by the commissioner after they have been used to verify the identity of
193.23 the background study subject against the particular criminal record in question.

193.24 (e) The commissioner may inform the entity that initiated a background study under
193.25 NETStudy 2.0 of the status of processing of the subject's fingerprints.

193.26 Sec. 24. Minnesota Statutes 2022, section 256.01, subdivision 18c, is amended to read:

193.27 Subd. 18c. **Drug convictions.** (a) The state court administrator shall provide a report
193.28 every six months by electronic means to the commissioner of human services, including
193.29 the name, address, date of birth, and, if available, driver's license or state identification card
193.30 number, date of the sentence, effective date of the sentence, and county in which the
193.31 conviction occurred, of each person convicted of a felony under chapter 152, except for
193.32 convictions under section 152.0263 or 152.0264, during the previous six months.

194.1 (b) The commissioner shall determine whether the individuals who are the subject of
 194.2 the data reported under paragraph (a) are receiving public assistance under chapter 256D
 194.3 or 256J, and if ~~the~~ an individual is receiving assistance under chapter 256D or 256J, the
 194.4 commissioner shall instruct the county to proceed under section 256D.024 or 256J.26,
 194.5 whichever is applicable, for this individual.

194.6 (c) The commissioner shall not retain any data received under paragraph (a) ~~or (d)~~ that
 194.7 does not relate to an individual receiving publicly funded assistance under chapter 256D or
 194.8 256J.

194.9 ~~(d) In addition to the routine data transfer under paragraph (a), the state court~~
 194.10 ~~administrator shall provide a onetime report of the data fields under paragraph (a) for~~
 194.11 ~~individuals with a felony drug conviction under chapter 152 dated from July 1, 1997, until~~
 194.12 ~~the date of the data transfer. The commissioner shall perform the tasks identified under~~
 194.13 ~~paragraph (b) related to this data and shall retain the data according to paragraph (c).~~

194.14 Sec. 25. Minnesota Statutes 2022, section 256B.0625, subdivision 13d, is amended to
 194.15 read:

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

194.20 (b) The formulary shall not include:

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

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

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

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

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

195.1 (6) medical cannabis flower as defined in section ~~152.22, subdivision 6~~ 342.01,
 195.2 subdivision 49, or medical cannabinoid products as defined in section 342.01, subdivision
 195.3 47.

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

195.10 Sec. 26. Minnesota Statutes 2022, section 256D.024, subdivision 1, is amended to read:

195.11 Subdivision 1. **Person convicted of drug offenses.** (a) If an applicant or recipient has
 195.12 been convicted of a drug offense after July 1, 1997, except for convictions related to cannabis,
 195.13 marijuana, or tetrahydrocannabinols, the assistance unit is ineligible for benefits under this
 195.14 chapter until five years after the applicant has completed terms of the court-ordered sentence,
 195.15 unless the person is participating in a drug treatment program, has successfully completed
 195.16 a drug treatment program, or has been assessed by the county and determined not to be in
 195.17 need of a drug treatment program. Persons subject to the limitations of this subdivision who
 195.18 become eligible for assistance under this chapter shall be subject to random drug testing as
 195.19 a condition of continued eligibility and shall lose eligibility for benefits for five years
 195.20 beginning the month following:

195.21 (1) any positive test result for an illegal controlled substance under chapter 152; or

195.22 (2) discharge of sentence after conviction for another drug felony.

195.23 (b) For the purposes of this subdivision, "drug offense" means a conviction that occurred
 195.24 after July 1, 1997, of sections 152.021 to 152.025, 152.0261, 152.0262, or 152.096. Drug
 195.25 offense also means a conviction in another jurisdiction of the possession, use, or distribution
 195.26 of a controlled substance, or conspiracy to commit any of these offenses, if the offense
 195.27 occurred after July 1, 1997, and the conviction is ~~a felony offense in that jurisdiction, or in~~
 195.28 ~~the case of New Jersey, a high misdemeanor~~ for a crime that would be a felony if committed
 195.29 in Minnesota.

195.30 Sec. 27. Minnesota Statutes 2022, section 256D.024, subdivision 3, is amended to read:

195.31 Subd. 3. **Fleeing felons.** An individual who is fleeing to avoid prosecution, or custody,
 195.32 or confinement after conviction for a crime that ~~is a felony under the laws of the jurisdiction~~

196.1 ~~from which the individual flees, or in the case of New Jersey, is a high misdemeanor, would~~
196.2 be a felony if committed in Minnesota, is ineligible to receive benefits under this chapter.

196.3 Sec. 28. Minnesota Statutes 2022, section 256J.26, subdivision 1, is amended to read:

196.4 Subdivision 1. **Person convicted of drug offenses.** (a) An individual who has been
196.5 convicted of a felony level drug offense committed during the previous ten years from the
196.6 date of application or recertification, except for convictions related to cannabis, marijuana,
196.7 or tetrahydrocannabinols, is subject to the following:

196.8 (1) Benefits for the entire assistance unit must be paid in vendor form for shelter and
196.9 utilities during any time the applicant is part of the assistance unit.

196.10 (2) The convicted applicant or participant shall be subject to random drug testing as a
196.11 condition of continued eligibility and following any positive test for an illegal controlled
196.12 substance under chapter 152 is subject to the following sanctions:

196.13 (i) for failing a drug test the first time, the residual amount of the participant's grant after
196.14 making vendor payments for shelter and utility costs, if any, must be reduced by an amount
196.15 equal to 30 percent of the MFIP standard of need for an assistance unit of the same size.
196.16 When a sanction under this subdivision is in effect, the job counselor must attempt to meet
196.17 with the person face-to-face. During the face-to-face meeting, the job counselor must explain
196.18 the consequences of a subsequent drug test failure and inform the participant of the right to
196.19 appeal the sanction under section 256J.40. If a face-to-face meeting is not possible, the
196.20 county agency must send the participant a notice of adverse action as provided in section
196.21 256J.31, subdivisions 4 and 5, and must include the information required in the face-to-face
196.22 meeting; or

196.23 (ii) for failing a drug test two times, the participant is permanently disqualified from
196.24 receiving MFIP assistance, both the cash and food portions. The assistance unit's MFIP
196.25 grant must be reduced by the amount which would have otherwise been made available to
196.26 the disqualified participant. Disqualification under this item does not make a participant
196.27 ineligible for the Supplemental Nutrition Assistance Program (SNAP). Before a
196.28 disqualification under this provision is imposed, the job counselor must attempt to meet
196.29 with the participant face-to-face. During the face-to-face meeting, the job counselor must
196.30 identify other resources that may be available to the participant to meet the needs of the
196.31 family and inform the participant of the right to appeal the disqualification under section
196.32 256J.40. If a face-to-face meeting is not possible, the county agency must send the participant
196.33 a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must
196.34 include the information required in the face-to-face meeting.

197.1 (3) A participant who fails a drug test the first time and is under a sanction due to other
197.2 MFIP program requirements is considered to have more than one occurrence of
197.3 noncompliance and is subject to the applicable level of sanction as specified under section
197.4 256J.46, subdivision 1, paragraph (d).

197.5 (b) Applicants requesting only SNAP benefits or participants receiving only SNAP
197.6 benefits, who have been convicted of a drug offense that occurred after July 1, 1997, except
197.7 for convictions related to cannabis, marijuana, or tetrahydrocannabinols, may, if otherwise
197.8 eligible, receive SNAP benefits if the convicted applicant or participant is subject to random
197.9 drug testing as a condition of continued eligibility. Following a positive test for an illegal
197.10 controlled substance under chapter 152, the applicant is subject to the following sanctions:

197.11 (1) for failing a drug test the first time, SNAP benefits shall be reduced by an amount
197.12 equal to 30 percent of the applicable SNAP benefit allotment. When a sanction under this
197.13 clause is in effect, a job counselor must attempt to meet with the person face-to-face. During
197.14 the face-to-face meeting, a job counselor must explain the consequences of a subsequent
197.15 drug test failure and inform the participant of the right to appeal the sanction under section
197.16 256J.40. If a face-to-face meeting is not possible, a county agency must send the participant
197.17 a notice of adverse action as provided in section 256J.31, subdivisions 4 and 5, and must
197.18 include the information required in the face-to-face meeting; and

197.19 (2) for failing a drug test two times, the participant is permanently disqualified from
197.20 receiving SNAP benefits. Before a disqualification under this provision is imposed, a job
197.21 counselor must attempt to meet with the participant face-to-face. During the face-to-face
197.22 meeting, the job counselor must identify other resources that may be available to the
197.23 participant to meet the needs of the family and inform the participant of the right to appeal
197.24 the disqualification under section 256J.40. If a face-to-face meeting is not possible, a county
197.25 agency must send the participant a notice of adverse action as provided in section 256J.31,
197.26 subdivisions 4 and 5, and must include the information required in the face-to-face meeting.

197.27 (c) For the purposes of this subdivision, "drug offense" means an offense that occurred
197.28 during the previous ten years from the date of application or recertification of sections
197.29 152.021 to 152.025, 152.0261, 152.0262, 152.096, or 152.137. Drug offense also means a
197.30 conviction in another jurisdiction of the possession, use, or distribution of a controlled
197.31 substance, or conspiracy to commit any of these offenses, if the offense occurred during
197.32 the previous ten years from the date of application or recertification and the conviction is
197.33 a felony offense in that jurisdiction, or in the case of New Jersey, a high misdemeanor for
197.34 a crime that would be a felony if committed in Minnesota.

198.1 Sec. 29. Minnesota Statutes 2022, section 256J.26, subdivision 3, is amended to read:

198.2 Subd. 3. **Fleeing felons.** An individual who is fleeing to avoid prosecution, or custody,
 198.3 or confinement after conviction for a crime that is a felony under the laws of the jurisdiction
 198.4 ~~from which the individual flees, or in the case of New Jersey, is a high misdemeanor,~~ would
 198.5 be a felony if committed in Minnesota, is disqualified from receiving MFIP.

198.6 Sec. 30. [340A.4022] RETAIL LICENSE NOT PROHIBITED; LOWER POTENCY
 198.7 EDIBLE PRODUCTS.

198.8 (a) Nothing in this chapter:

198.9 (1) prohibits the issuance of a retail license or permit to a person also holding a lower
 198.10 potency edible product retailer license;

198.11 (2) allows any agreement between a licensing authority and retail license or permit holder
 198.12 that prohibits the license or permit holder from also holding a lower potency edible product
 198.13 retailer license; or

198.14 (3) allows the revocation or suspension of a retail license or permit, or the imposition
 198.15 of a penalty on a retail license or permit holder, due to the retail license or permit holder
 198.16 also holding a lower potency edible product retailer license.

198.17 (b) For purposes of this section, "lower potency edible product retailer license" means
 198.18 a license issued by the Office of Cannabis Management under section 342.40.

198.19 Sec. 31. Minnesota Statutes 2022, section 340A.412, subdivision 14, is amended to read:

198.20 Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision,
 198.21 an exclusive liquor store may sell only the following items:

198.22 (1) alcoholic beverages;

198.23 (2) tobacco products;

198.24 (3) ice;

198.25 (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating
 198.26 liquor;

198.27 (5) soft drinks;

198.28 (6) liqueur-filled candies;

198.29 (7) food products that contain more than one-half of one percent alcohol by volume;

- 199.1 (8) cork extraction devices;
- 199.2 (9) books and videos on the use of alcoholic beverages;
- 199.3 (10) magazines and other publications published primarily for information and education
199.4 on alcoholic beverages;
- 199.5 (11) multiple-use bags designed to carry purchased items;
- 199.6 (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to
199.7 prevent access by underage drinkers;
- 199.8 (13) home brewing equipment;
- 199.9 (14) clothing marked with the specific name, brand, or identifying logo of the exclusive
199.10 liquor store, and bearing no other name, brand, or identifying logo;
- 199.11 (15) citrus fruit; ~~and~~
- 199.12 (16) glassware; and
- 199.13 (17) lower potency edible products as defined in section 342.01, subdivision 45.
- 199.14 (b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale
199.15 license may sell food for on-premise consumption when authorized by the municipality
199.16 issuing the license.
- 199.17 (c) An exclusive liquor store may offer live or recorded entertainment.
- 199.18 **EFFECTIVE DATE.** This section is effective July 1, 2024.
- 199.19 Sec. 32. Minnesota Statutes 2022, section 609B.425, subdivision 2, is amended to read:
- 199.20 Subd. 2. **Benefit eligibility.** (a) A person convicted of a drug offense after July 1, 1997,
199.21 except for convictions related to cannabis, marijuana, or tetrahydrocannabinols, is ineligible
199.22 for general assistance benefits and Supplemental Security Income under chapter 256D until:
- 199.23 (1) five years after completing the terms of a court-ordered sentence; or
- 199.24 (2) unless the person is participating in a drug treatment program, has successfully
199.25 completed a program, or has been determined not to be in need of a drug treatment program.
- 199.26 (b) A person who becomes eligible for assistance under chapter 256D is subject to
199.27 random drug testing and shall lose eligibility for benefits for five years beginning the month
199.28 following:
- 199.29 (1) any positive test for an illegal controlled substance under chapter 152; or

200.1 (2) discharge of sentence for conviction of another drug felony.

200.2 (c) Parole violators and fleeing felons are ineligible for benefits and persons fraudulently
200.3 misrepresenting eligibility are also ineligible to receive benefits for ten years.

200.4 Sec. 33. Minnesota Statutes 2022, section 609B.435, subdivision 2, is amended to read:

200.5 Subd. 2. **Drug offenders; random testing; sanctions.** A person who is an applicant for
200.6 benefits from the Minnesota family investment program or MFIP, the vehicle for temporary
200.7 assistance for needy families or TANF, and who has been convicted of a drug offense,
200.8 except for convictions related to cannabis, marijuana, or tetrahydrocannabinols, shall be
200.9 subject to certain conditions, including random drug testing, in order to receive MFIP
200.10 benefits. Following any positive test for a controlled substance under chapter 152, the
200.11 convicted applicant or participant is subject to the following sanctions:

200.12 (1) a first time drug test failure results in a reduction of benefits in an amount equal to
200.13 30 percent of the MFIP standard of need; and

200.14 (2) a second time drug test failure results in permanent disqualification from receiving
200.15 MFIP assistance.

200.16 A similar disqualification sequence occurs if the applicant is receiving Supplemental Nutrition
200.17 Assistance Program (SNAP) benefits.

200.18 Sec. 34. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
200.19 to read:

200.20 Subd. 13. **Adult-use cannabis flower.** "Adult-use cannabis flower" has the meaning
200.21 given in section 342.01, subdivision 4.

200.22 Sec. 35. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
200.23 to read:

200.24 Subd. 14. **Adult-use cannabinoid product.** "Adult-use cannabis product" has the
200.25 meaning given in section 342.01, subdivision 2.

200.26 Sec. 36. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
200.27 to read:

200.28 Subd. 15. **Medical cannabis flower.** "Medical cannabis flower" has the meaning given
200.29 in section 342.01, subdivision 49.

201.1 Sec. 37. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
201.2 to read:

201.3 Subd. 16. **Medical cannabinoid product.** "Medical cannabinoid product" has the
201.4 meaning given in section 342.01, subdivision 47.

201.5 Sec. 38. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
201.6 to read:

201.7 Subd. 17. **Patient.** "Patient" has the meaning given in section 342.01, subdivision 54.

201.8 Sec. 39. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
201.9 to read:

201.10 Subd. 18. **Qualifying medical condition.** "Qualifying medical condition" has the meaning
201.11 given in section 342.01, subdivision 56.

201.12 Sec. 40. Minnesota Statutes 2022, section 624.712, is amended by adding a subdivision
201.13 to read:

201.14 Subd. 19. **Registry or registry program.** "Registry" or "registry program" has the
201.15 meaning given in section 342.01, subdivision 58.

201.16 Sec. 41. Minnesota Statutes 2022, section 624.713, subdivision 1, is amended to read:

201.17 Subdivision 1. **Ineligible persons.** The following persons shall not be entitled to possess
201.18 ammunition or a pistol or semiautomatic military-style assault weapon or, except for clause
201.19 (1), any other firearm:

201.20 (1) a person under the age of 18 years except that a person under 18 may possess
201.21 ammunition designed for use in a firearm that the person may lawfully possess and may
201.22 carry or possess a pistol or semiautomatic military-style assault weapon (i) in the actual
201.23 presence or under the direct supervision of the person's parent or guardian, (ii) for the
201.24 purpose of military drill under the auspices of a legally recognized military organization
201.25 and under competent supervision, (iii) for the purpose of instruction, competition, or target
201.26 practice on a firing range approved by the chief of police or county sheriff in whose
201.27 jurisdiction the range is located and under direct supervision; or (iv) if the person has
201.28 successfully completed a course designed to teach marksmanship and safety with a pistol
201.29 or semiautomatic military-style assault weapon and approved by the commissioner of natural
201.30 resources;

202.1 (2) except as otherwise provided in clause (9), a person who has been convicted of, or
202.2 adjudicated delinquent or convicted as an extended jurisdiction juvenile for committing, in
202.3 this state or elsewhere, a crime of violence. For purposes of this section, crime of violence
202.4 includes crimes in other states or jurisdictions which would have been crimes of violence
202.5 as herein defined if they had been committed in this state;

202.6 (3) a person who is or has ever been committed in Minnesota or elsewhere by a judicial
202.7 determination that the person is mentally ill, developmentally disabled, or mentally ill and
202.8 dangerous to the public, as defined in section 253B.02, to a treatment facility, or who has
202.9 ever been found incompetent to stand trial or not guilty by reason of mental illness, unless
202.10 the person's ability to possess a firearm and ammunition has been restored under subdivision
202.11 4;

202.12 (4) a person who has been convicted in Minnesota or elsewhere of a misdemeanor or
202.13 gross misdemeanor violation of chapter 152, unless three years have elapsed since the date
202.14 of conviction and, during that time, the person has not been convicted of any other such
202.15 violation of chapter 152 or a similar law of another state; or a person who is or has ever
202.16 been committed by a judicial determination for treatment for the habitual use of a controlled
202.17 substance or marijuana, as defined in sections 152.01 and 152.02, unless the person's ability
202.18 to possess a firearm and ammunition has been restored under subdivision 4;

202.19 (5) a person who has been committed to a treatment facility in Minnesota or elsewhere
202.20 by a judicial determination that the person is chemically dependent as defined in section
202.21 253B.02, unless the person has completed treatment or the person's ability to possess a
202.22 firearm and ammunition has been restored under subdivision 4. Property rights may not be
202.23 abated but access may be restricted by the courts;

202.24 (6) a peace officer who is informally admitted to a treatment facility pursuant to section
202.25 253B.04 for chemical dependency, unless the officer possesses a certificate from the head
202.26 of the treatment facility discharging or provisionally discharging the officer from the
202.27 treatment facility. Property rights may not be abated but access may be restricted by the
202.28 courts;

202.29 (7) a person, including a person under the jurisdiction of the juvenile court, who has
202.30 been charged with committing a crime of violence and has been placed in a pretrial diversion
202.31 program by the court before disposition, until the person has completed the diversion program
202.32 and the charge of committing the crime of violence has been dismissed;

202.33 (8) except as otherwise provided in clause (9), a person who has been convicted in
202.34 another state of committing an offense similar to the offense described in section 609.224,

203.1 subdivision 3, against a family or household member or section 609.2242, subdivision 3,
203.2 unless three years have elapsed since the date of conviction and, during that time, the person
203.3 has not been convicted of any other violation of section 609.224, subdivision 3, or 609.2242,
203.4 subdivision 3, or a similar law of another state;

203.5 (9) a person who has been convicted in this state or elsewhere of assaulting a family or
203.6 household member and who was found by the court to have used a firearm in any way
203.7 during commission of the assault is prohibited from possessing any type of firearm or
203.8 ammunition for the period determined by the sentencing court;

203.9 (10) a person who:

203.10 (i) has been convicted in any court of a crime punishable by imprisonment for a term
203.11 exceeding one year;

203.12 (ii) is a fugitive from justice as a result of having fled from any state to avoid prosecution
203.13 for a crime or to avoid giving testimony in any criminal proceeding;

203.14 (iii) is an unlawful user of any controlled substance as defined in chapter 152. The use
203.15 of medical cannabis flower or medical cannabinoid products by a patient enrolled in the
203.16 registry program or the use of adult-use cannabis flower or adult-use cannabinoid products
203.17 by a person 21 years of age or older does not constitute the unlawful use of a controlled
203.18 substance under this item;

203.19 (iv) has been judicially committed to a treatment facility in Minnesota or elsewhere as
203.20 a person who is mentally ill, developmentally disabled, or mentally ill and dangerous to the
203.21 public, as defined in section 253B.02;

203.22 (v) is an alien who is illegally or unlawfully in the United States;

203.23 (vi) has been discharged from the armed forces of the United States under dishonorable
203.24 conditions;

203.25 (vii) has renounced the person's citizenship having been a citizen of the United States;
203.26 or

203.27 (viii) is disqualified from possessing a firearm under United States Code, title 18, section
203.28 922(g)(8) or (9), as amended through March 1, 2014;

203.29 (11) a person who has been convicted of the following offenses at the gross misdemeanor
203.30 level, unless three years have elapsed since the date of conviction and, during that time, the
203.31 person has not been convicted of any other violation of these sections: section 609.229
203.32 (crimes committed for the benefit of a gang); 609.2231, subdivision 4 (assaults motivated

204.1 by bias); 609.255 (false imprisonment); 609.378 (neglect or endangerment of a child);
204.2 609.582, subdivision 4 (burglary in the fourth degree); 609.665 (setting a spring gun); 609.71
204.3 (riot); or 609.749 (harassment or stalking). For purposes of this paragraph, the specified
204.4 gross misdemeanor convictions include crimes committed in other states or jurisdictions
204.5 which would have been gross misdemeanors if conviction occurred in this state;

204.6 (12) a person who has been convicted of a violation of section 609.224 if the court
204.7 determined that the assault was against a family or household member in accordance with
204.8 section 609.2242, subdivision 3 (domestic assault), unless three years have elapsed since
204.9 the date of conviction and, during that time, the person has not been convicted of another
204.10 violation of section 609.224 or a violation of a section listed in clause (11); or

204.11 (13) a person who is subject to an order for protection as described in section 260C.201,
204.12 subdivision 3, paragraph (d), or 518B.01, subdivision 6, paragraph (g).

204.13 A person who issues a certificate pursuant to this section in good faith is not liable for
204.14 damages resulting or arising from the actions or misconduct with a firearm or ammunition
204.15 committed by the individual who is the subject of the certificate.

204.16 The prohibition in this subdivision relating to the possession of firearms other than
204.17 pistols and semiautomatic military-style assault weapons does not apply retroactively to
204.18 persons who are prohibited from possessing a pistol or semiautomatic military-style assault
204.19 weapon under this subdivision before August 1, 1994.

204.20 The lifetime prohibition on possessing, receiving, shipping, or transporting firearms and
204.21 ammunition for persons convicted or adjudicated delinquent of a crime of violence in clause
204.22 (2), applies only to offenders who are discharged from sentence or court supervision for a
204.23 crime of violence on or after August 1, 1993.

204.24 Participation as a patient in the registry program or use of adult-use cannabis flower or
204.25 adult-use cannabinoid products by a person 21 years of age or older does not disqualify the
204.26 person from possessing firearms and ammunition under this section.

204.27 For purposes of this section, "judicial determination" means a court proceeding pursuant
204.28 to sections 253B.07 to 253B.09 or a comparable law from another state.

204.29 Sec. 42. Minnesota Statutes 2022, section 624.714, subdivision 6, is amended to read:

204.30 Subd. 6. **Granting and denial of permits.** (a) The sheriff must, within 30 days after the
204.31 date of receipt of the application packet described in subdivision 3:

204.32 (1) issue the permit to carry;

205.1 (2) deny the application for a permit to carry solely on the grounds that the applicant
205.2 failed to qualify under the criteria described in subdivision 2, paragraph (b); or

205.3 (3) deny the application on the grounds that there exists a substantial likelihood that the
205.4 applicant is a danger to self or the public if authorized to carry a pistol under a permit.

205.5 (b) Failure of the sheriff to notify the applicant of the denial of the application within
205.6 30 days after the date of receipt of the application packet constitutes issuance of the permit
205.7 to carry and the sheriff must promptly fulfill the requirements under paragraph (c). To deny
205.8 the application, the sheriff must provide the applicant with written notification and the
205.9 specific factual basis justifying the denial under paragraph (a), clause (2) or (3), including
205.10 the source of the factual basis. The sheriff must inform the applicant of the applicant's right
205.11 to submit, within 20 business days, any additional documentation relating to the propriety
205.12 of the denial. Upon receiving any additional documentation, the sheriff must reconsider the
205.13 denial and inform the applicant within 15 business days of the result of the reconsideration.
205.14 Any denial after reconsideration must be in the same form and substance as the original
205.15 denial and must specifically address any continued deficiencies in light of the additional
205.16 documentation submitted by the applicant. The applicant must be informed of the right to
205.17 seek de novo review of the denial as provided in subdivision 12.

205.18 (c) Upon issuing a permit to carry, the sheriff must provide a laminated permit card to
205.19 the applicant by first class mail unless personal delivery has been made. Within five business
205.20 days, the sheriff must submit the information specified in subdivision 7, paragraph (a), to
205.21 the commissioner for inclusion solely in the database required under subdivision 15,
205.22 paragraph (a). The sheriff must transmit the information in a manner and format prescribed
205.23 by the commissioner.

205.24 (d) Within five business days of learning that a permit to carry has been suspended or
205.25 revoked, the sheriff must submit information to the commissioner regarding the suspension
205.26 or revocation for inclusion solely in the databases required or permitted under subdivision
205.27 15.

205.28 (e) Notwithstanding paragraphs (a) and (b), the sheriff may suspend the application
205.29 process if a charge is pending against the applicant that, if resulting in conviction, will
205.30 prohibit the applicant from possessing a firearm.

205.31 (f) A sheriff shall not deny an application for a permit to carry solely because the applicant
205.32 is a patient enrolled in the registry program and uses medical cannabis flower or medical
205.33 cannabinoid products for a qualifying medical condition or because the person is 21 years
205.34 of age or older and uses adult-use cannabis flower or adult-use cannabinoid products.

206.1 Sec. 43. Minnesota Statutes 2022, section 624.7142, subdivision 1, is amended to read:

206.2 Subdivision 1. **Acts prohibited.** A person may not carry a pistol on or about the person's
206.3 clothes or person in a public place:

206.4 (1) when the person is under the influence of a controlled substance, as defined in section
206.5 152.01, subdivision 4;

206.6 (2) when the person is under the influence of a combination of any two or more of the
206.7 elements named in clauses (1) and (4);

206.8 (3) when the person is under the influence of an intoxicating substance as defined in
206.9 section 169A.03, subdivision 11a, and the person knows or has reason to know that the
206.10 substance has the capacity to cause impairment;

206.11 (4) when the person is under the influence of alcohol;

206.12 (5) when the person's alcohol concentration is 0.10 or more; ~~or~~

206.13 (6) when the person's alcohol concentration is less than 0.10, but more than 0.04; or

206.14 (7) when the person is enrolled as a patient in the registry program, uses medical cannabis
206.15 flower or medical cannabinoid products, and knows or has reason to know that the medical
206.16 cannabis flower or medical cannabinoid products used by the person has the capacity to
206.17 cause impairment.

206.18 Sec. 44. Minnesota Statutes 2022, section 624.7151, is amended to read:

206.19 **624.7151 STANDARDIZED FORMS.**

206.20 By December 1, 1992, the commissioner shall adopt statewide standards governing the
206.21 form and contents, as required by sections 624.7131 to 624.714, of every application for a
206.22 pistol transferee permit, pistol transferee permit, report of transfer of a pistol, application
206.23 for a permit to carry a pistol, and permit to carry a pistol that is granted or renewed on or
206.24 after January 1, 1993.

206.25 Every application for a pistol transferee permit, pistol transferee permit, report of transfer
206.26 of a pistol, application for a permit to carry a pistol, and permit to carry a pistol that is
206.27 received, granted, or renewed by a police chief or county sheriff on or after January 1, 1993,
206.28 must meet the statewide standards adopted by the commissioner. Notwithstanding the
206.29 previous sentence, neither failure of the Department of Public Safety to adopt standards nor
206.30 failure of the police chief or county sheriff to meet them shall delay the timely processing
206.31 of applications nor invalidate permits issued on other forms meeting the requirements of
206.32 sections 624.7131 to 624.714.

207.1 Any form used for the purpose of approving or disapproving a person from purchasing,
 207.2 owning, possessing, or carrying a firearm that inquires about the applicant's use of controlled
 207.3 substances shall specifically authorize a patient in the registry program to refrain from
 207.4 reporting the use of medical cannabis flower and medical cannabinoid products and shall
 207.5 specifically authorize a person 21 years of age or older from refraining from reporting the
 207.6 use of adult-use cannabis flower or adult-use cannabinoid products.

207.7 Sec. 45. **[624.7152] LAWFUL CANNABIS USERS.**

207.8 (a) A person may not be denied the right to purchase, own, possess, or carry a firearm
 207.9 solely on the basis that the person is a patient in the registry program.

207.10 (b) A person may not be denied the right to purchase, own, possess, or carry a firearm
 207.11 solely on the basis that the person is 21 years of age or older and uses adult-use cannabis
 207.12 flower or adult-use cannabinoid products.

207.13 (c) A state or local agency may not access a database containing the identities of patients
 207.14 in the registry program to obtain information for the purpose of approving or disapproving
 207.15 a person from purchasing, owning, possessing, or carrying a firearm.

207.16 (d) A state or local agency may not use information gathered from a database containing
 207.17 the identities of patients in the registry program to obtain information for the purpose of
 207.18 approving or disapproving a person from purchasing, owning, possessing, or carrying a
 207.19 firearm.

207.20 (e) A state or local agency may not inquire about a person's status as a patient in the
 207.21 registry program for the purpose of approving or disapproving the person from purchasing,
 207.22 owning, possessing, or carrying a firearm.

207.23 (f) A state or local agency may not inquire about the use of adult-use cannabis flower
 207.24 or adult-use cannabinoid products by a person 21 years of age or older for the purpose of
 207.25 approving or disapproving the person from purchasing, owning, possessing, or carrying a
 207.26 firearm.

207.27 Sec. 46. **REPEALER.**

207.28 (a) Minnesota Rules, parts 4770.0100; 4770.0200; 4770.0300; 4770.0400; 4770.0500;
 207.29 4770.0600; 4770.0800; 4770.0900; 4770.1000; 4770.1100; 4770.1200; 4770.1300;
 207.30 4770.1400; 4770.1460; 4770.1500; 4770.1600; 4770.1700; 4770.1800; 4770.1900;
 207.31 4770.2000; 4770.2100; 4770.2200; 4770.2300; 4770.2400; 4770.2700; 4770.2800;
 207.32 4770.4000; 4770.4002; 4770.4003; 4770.4004; 4770.4005; 4770.4007; 4770.4008;

208.1 4770.4009; 4770.4010; 4770.4012; 4770.4013; 4770.4014; 4770.4015; 4770.4016;
 208.2 4770.4017; 4770.4018; and 4770.4030, are repealed.

208.3 (b) Minnesota Statutes 2022, sections 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8,
 208.4 9, 10, 11, 12, 13, and 14; 152.23; 152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, and 4;
 208.5 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, and 7; 152.28, subdivisions 1, 2, and
 208.6 3; 152.29, subdivisions 1, 2, 3, 3a, and 4; 152.30; 152.31; 152.32, subdivisions 1, 2, and 3;
 208.7 152.33, subdivisions 1, 1a, 2, 3, 4, 5, and 6; 152.34; 152.35; 152.36, subdivisions 1, 1a, 2,
 208.8 3, 4, and 5; and 152.37, are repealed.

208.9 (c) Minnesota Statutes 2022, section 152.027, subdivisions 3 and 4, are repealed.

208.10 (d) Minnesota Statutes 2022, section 152.21, is repealed.

208.11 **EFFECTIVE DATE.** Paragraphs (a) and (b) are effective January 1, 2024. Paragraph
 208.12 (c) is effective August 1, 2023. Paragraph (d) is effective July 1, 2023.

208.13 **ARTICLE 7**

208.14 **TEMPORARY REGULATION OF CERTAIN PRODUCTS**

208.15 Section 1. Minnesota Statutes 2022, section 34A.01, subdivision 4, is amended to read:

208.16 Subd. 4. **Food.** "Food" means every ingredient used for, entering into the consumption
 208.17 of, or used or intended for use in the preparation of food, drink, confectionery, or condiment
 208.18 for humans or other animals, whether simple, mixed, or compound; and articles used as
 208.19 components of these ingredients, except that edible cannabinoid products, as defined in
 208.20 section 151.72, subdivision 1, paragraph ~~(e)~~ (f), are not food.

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

208.22 Sec. 2. Minnesota Statutes 2022, section 144.99, subdivision 1, is amended to read:

208.23 Subdivision 1. **Remedies available.** The provisions of chapters 103I and 157 and sections
 208.24 115.71 to 115.77; 144.12, subdivision 1, paragraphs (1), (2), (5), (6), (10), (12), (13), (14),
 208.25 and (15); 144.1201 to 144.1204; 144.121; 144.1215; 144.1222; 144.35; 144.381 to 144.385;
 208.26 144.411 to 144.417; 144.495; 144.71 to 144.74; 144.9501 to 144.9512; 144.97 to 144.98;
 208.27 144.992; 151.72; 152.22 to 152.37; 326.70 to 326.785; 327.10 to 327.131; and 327.14 to
 208.28 327.28 and all rules, orders, stipulation agreements, settlements, compliance agreements,
 208.29 licenses, registrations, certificates, and permits adopted or issued by the department or under
 208.30 any other law now in force or later enacted for the preservation of public health may, in
 208.31 addition to provisions in other statutes, be enforced under this section.

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

209.2 Sec. 3. Minnesota Statutes 2022, section 151.72, is amended to read:

209.3 **151.72 SALE OF CERTAIN CANNABINOID PRODUCTS.**

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

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

209.11 (b) "Batch" means a specific quantity of a specific product containing cannabinoids
209.12 derived from hemp, including an edible cannabinoid product, that is manufactured at the
209.13 same time and using the same methods, equipment, and ingredients that is uniform and
209.14 intended to meet specifications for identity, strength, purity, and composition, and that is
209.15 manufactured, packaged, and labeled according to a single batch production record executed
209.16 and documented during the same cycle of manufacture and produced by a continuous
209.17 process.

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

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

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

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

209.28 ~~(d)~~ (g) "Hemp" has the meaning given to "industrial hemp" in section 18K.02, subdivision
209.29 3.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

211.8 Subd. 4. **Testing requirements.** (a) A manufacturer of a product regulated under this
211.9 section must submit representative samples of each batch of the product to an independent,
211.10 accredited laboratory in order to certify that the product complies with the standards adopted
211.11 by the board on or before July 1, 2023, or the standards adopted by the commissioner.

211.12 Testing must be consistent with generally accepted industry standards for herbal and botanical
211.13 substances, and, at a minimum, the testing must confirm that the product:

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

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

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

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

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

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

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

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

212.6 (1) the name, location, contact phone number, and website of the manufacturer of the
 212.7 product;

212.8 (2) the name and address of the independent, accredited laboratory used by the
 212.9 manufacturer to test the product; ~~and~~

212.10 (3) the batch number; and

212.11 ~~(3)~~ (4) an accurate statement of the amount or percentage of cannabinoids found in each
 212.12 unit of the product meant to be consumed.

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

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

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

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

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

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

212.30 (b) An edible cannabinoid product must not:

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

- 213.1 (2) be modeled after a brand of products primarily consumed by or marketed to children;
- 213.2 (3) be made by applying an extracted or concentrated hemp-derived cannabinoid to a
213.3 commercially available candy or snack food item;
- 213.4 (4) contain an ingredient, other than a hemp-derived cannabinoid, that is not approved
213.5 by the United States Food and Drug Administration for use in food;
- 213.6 (5) be packaged in a way that resembles the trademarked, characteristic, or
213.7 product-specialized packaging of any commercially available food product; or
- 213.8 (6) be packaged in a container that includes a statement, artwork, or design that could
213.9 reasonably mislead any person to believe that the package contains anything other than an
213.10 edible cannabinoid product.
- 213.11 (c) An edible cannabinoid product must be prepackaged in packaging or a container that
213.12 is child-resistant, tamper-evident, and opaque or placed in packaging or a container that is
213.13 child-resistant, tamper-evident, and opaque at the final point of sale to a customer. The
213.14 requirement that packaging be child-resistant does not apply to an edible cannabinoid product
213.15 that is intended to be consumed as a beverage and which contains no more than a ~~trace~~
213.16 ~~amount of any tetrahydrocannabinol~~ total of 0.25 milligrams of all tetrahydrocannabinols.
- 213.17 (d) If an edible cannabinoid product is intended for more than a single use or contains
213.18 multiple servings, each serving must be indicated by scoring, wrapping, or other indicators
213.19 designating the individual serving size that appear on the edible cannabinoid product.
- 213.20 (e) A label containing at least the following information must be affixed to the packaging
213.21 or container of all edible cannabinoid products sold to consumers:
- 213.22 (1) the serving size;
- 213.23 (2) the cannabinoid profile per serving and in total;
- 213.24 (3) a list of ingredients, including identification of any major food allergens declared
213.25 by name; and
- 213.26 (4) the following statement: "Keep this product out of reach of children."
- 213.27 (f) An edible cannabinoid product must not contain more than five milligrams of any
213.28 tetrahydrocannabinol in a single serving, or more than a total of 50 milligrams of any
213.29 tetrahydrocannabinol per package.
- 213.30 (g) An edible cannabinoid product may contain delta-8 tetrahydrocannabinol or delta-9
213.31 tetrahydrocannabinol that is extracted from hemp plants or hemp plant parts or is an
213.32 artificially derived cannabinoid. Edible cannabinoid products are prohibited from containing

214.1 any other artificially derived cannabinoid, including but not limited to THC-P, THC-O, and
214.2 HHC, unless the commissioner authorizes use of the artificially derived cannabinoid in
214.3 edible cannabinoid products. Edible cannabinoid products are prohibited from containing
214.4 synthetic cannabinoids.

214.5 Subd. 5b. **Registration; prohibitions.** (a) On or before October 1, 2023, every person
214.6 selling edible cannabinoid products to consumers must apply for registration with the
214.7 commissioner in a form and manner established by the commissioner. After October 1,
214.8 2023, the sale of edible cannabinoid products by a person that is not registered is prohibited.

214.9 (b) The commissioner shall approve completed registration applications unless the
214.10 applicant is operating in violation of this section or the commissioner reasonably believes
214.11 that the applicant will operate in violation of this section.

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

214.13 (d) A registered retailer shall not:

214.14 (1) permit the on-site consumption of edible cannabinoid products; or

214.15 (2) provide free samples of edible cannabinoid products, except that a retailer may
214.16 provide a single package of an edible cannabinoid product with the purchase of a childproof
214.17 packaging container or other device designed to ensure the safe storage and monitoring of
214.18 edible cannabinoid products in the home to prevent access by individuals under 21 years
214.19 of age.

214.20 Subd. 5c. **Age verification.** (a) Prior to initiating a sale of an edible cannabinoid product,
214.21 an employee of a retailer must verify that the customer is at least 21 years of age.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

215.29 ~~(c) The board's authority to issue cease and desist orders under section 151.06; to embargo~~
 215.30 ~~adulterated and misbranded drugs under section 151.38; and to seek injunctive relief under~~
 215.31 ~~section 214.11, extends to any~~ commissioner may assume that any product regulated under
 215.32 this section that is present in the state, other than a product lawfully possessed for personal
 215.33 use, has been manufactured, imported, distributed, or stored with the intent to be offered

216.1 for sale in this state if a product of the same type and brand was sold in the state on or after
216.2 July 1, 2023, or if the product is in the possession of a person who has sold any product in
216.3 violation of this section.

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

216.7 (e) The commissioner may enter into an interagency agreement with the Office of
216.8 Cannabis Management to perform inspections and take other enforcement actions on behalf
216.9 of the commissioner.

216.10 Subd. 7. **Violations; criminal penalties.** (a) Notwithstanding section 144.99, subdivision
216.11 11, a person who does any of the following regarding a product regulated under this section
216.12 is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than
216.13 one year or to payment of a fine of not more than \$3,000, or both:

216.14 (1) knowingly alters or otherwise falsifies testing results;

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

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

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

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

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

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

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

217.1 Sec. 4. Minnesota Statutes 2022, section 340A.412, subdivision 14, is amended to read:

217.2 Subd. 14. **Exclusive liquor stores.** (a) Except as otherwise provided in this subdivision,
217.3 an exclusive liquor store may sell only the following items:

217.4 (1) alcoholic beverages;

217.5 (2) tobacco products;

217.6 (3) ice;

217.7 (4) beverages, either liquid or powder, specifically designated for mixing with intoxicating
217.8 liquor;

217.9 (5) soft drinks;

217.10 (6) liqueur-filled candies;

217.11 (7) food products that contain more than one-half of one percent alcohol by volume;

217.12 (8) cork extraction devices;

217.13 (9) books and videos on the use of alcoholic beverages;

217.14 (10) magazines and other publications published primarily for information and education
217.15 on alcoholic beverages;

217.16 (11) multiple-use bags designed to carry purchased items;

217.17 (12) devices designed to ensure safe storage and monitoring of alcohol in the home, to
217.18 prevent access by underage drinkers;

217.19 (13) home brewing equipment;

217.20 (14) clothing marked with the specific name, brand, or identifying logo of the exclusive
217.21 liquor store, and bearing no other name, brand, or identifying logo;

217.22 (15) citrus fruit; ~~and~~

217.23 (16) glassware; and

217.24 (17) edible cannabinoid products as defined in section 151.72, subdivision 1, paragraph
217.25 (f).

217.26 (b) An exclusive liquor store that has an on-sale, or combination on-sale and off-sale
217.27 license may sell food for on-premise consumption when authorized by the municipality
217.28 issuing the license.

217.29 (c) An exclusive liquor store may offer live or recorded entertainment.

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

218.2 Sec. 5. **REPEALER.**

218.3 Minnesota Statutes 2022, section 151.72, is repealed.

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

218.5

ARTICLE 8

218.6

SCHEDULING OF MARIJUANA

218.7 Section 1. Minnesota Statutes 2022, section 152.02, subdivision 2, is amended to read:

218.8 Subd. 2. **Schedule I.** (a) Schedule I consists of the substances listed in this subdivision.

218.9 (b) Opiates. Unless specifically excepted or unless listed in another schedule, any of the
218.10 following substances, including their analogs, isomers, esters, ethers, salts, and salts of
218.11 isomers, esters, and ethers, whenever the existence of the analogs, isomers, esters, ethers,
218.12 and salts is possible:

218.13 (1) acetylmethadol;

218.14 (2) allylprodine;

218.15 (3) alphacetylmethadol (except levo-alphacetylmethadol, also known as levomethadyl
218.16 acetate);

218.17 (4) alphameprodine;

218.18 (5) alphasmethadol;

218.19 (6) alpha-methylfentanyl benzethidine;

218.20 (7) betacetylmethadol;

218.21 (8) betameprodine;

218.22 (9) betamethadol;

218.23 (10) betaprodine;

218.24 (11) clonitazene;

218.25 (12) dextromoramide;

218.26 (13) diampromide;

218.27 (14) diethylambutene;

218.28 (15) difenoxin;

- 219.1 (16) dimenoxadol;
- 219.2 (17) dimepheptanol;
- 219.3 (18) dimethylambutene;
- 219.4 (19) dioxaphetyl butyrate;
- 219.5 (20) dipipanone;
- 219.6 (21) ethylmethylthiambutene;
- 219.7 (22) etonitazene;
- 219.8 (23) etoxeridine;
- 219.9 (24) furethidine;
- 219.10 (25) hydroxypethidine;
- 219.11 (26) ketobemidone;
- 219.12 (27) levomoramide;
- 219.13 (28) levophenacilmorphan;
- 219.14 (29) 3-methylfentanyl;
- 219.15 (30) acetyl-alpha-methylfentanyl;
- 219.16 (31) alpha-methylthiofentanyl;
- 219.17 (32) benzylfentanyl beta-hydroxyfentanyl;
- 219.18 (33) beta-hydroxy-3-methylfentanyl;
- 219.19 (34) 3-methylthiofentanyl;
- 219.20 (35) thenylfentanyl;
- 219.21 (36) thiofentanyl;
- 219.22 (37) para-fluorofentanyl;
- 219.23 (38) morpheridine;
- 219.24 (39) 1-methyl-4-phenyl-4-propionoxypiperidine;
- 219.25 (40) noracymethadol;
- 219.26 (41) norlevorphanol;
- 219.27 (42) normethadone;

- 220.1 (43) norpipanone;
- 220.2 (44) 1-(2-phenylethyl)-4-phenyl-4-acetoxypiperidine (PEPAP);
- 220.3 (45) phenadoxone;
- 220.4 (46) phenampromide;
- 220.5 (47) phenomorphan;
- 220.6 (48) phenoperidine;
- 220.7 (49) piritramide;
- 220.8 (50) proheptazine;
- 220.9 (51) properidine;
- 220.10 (52) propiram;
- 220.11 (53) racemoramide;
- 220.12 (54) tilidine;
- 220.13 (55) trimeperidine;
- 220.14 (56) N-(1-Phenethylpiperidin-4-yl)-N-phenylacetamide (acetyl fentanyl);
- 220.15 (57) 3,4-dichloro-N-[(1R,2R)-2-(dimethylamino)cyclohexyl]-N-
- 220.16 methylbenzamide(U47700);
- 220.17 (58) N-phenyl-N-[1-(2-phenylethyl)piperidin-4-yl]furan-2-carboxamide(furanylfentanyl);
- 220.18 (59) 4-(4-bromophenyl)-4-dimethylamino-1-phenethylcyclohexanol (bromadol);
- 220.19 (60) N-(1-phenethylpiperidin-4-yl)-N-phenylcyclopropanecarboxamide (Cyclopropyl
- 220.20 fentanyl);
- 220.21 (61) N-(1-phenethylpiperidin-4-yl)-N-phenylbutanamide) (butyryl fentanyl);
- 220.22 (62) 1-cyclohexyl-4-(1,2-diphenylethyl)piperazine) (MT-45);
- 220.23 (63) N-(1-phenethylpiperidin-4-yl)-N-phenylcyclopentanecarboxamide (cyclopentyl
- 220.24 fentanyl);
- 220.25 (64) N-(1-phenethylpiperidin-4-yl)-N-phenylisobutyramide (isobutyryl fentanyl);
- 220.26 (65) N-(1-phenethylpiperidin-4-yl)-N-phenylpentanamide (valeryl fentanyl);
- 220.27 (66) N-(4-chlorophenyl)-N-(1-phenethylpiperidin-4-yl)isobutyramide
- 220.28 (para-chloroisobutyryl fentanyl);

- 221.1 (67) N-(4-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)butyramide (para-fluorobutyryl
221.2 fentanyl);
- 221.3 (68) N-(4-methoxyphenyl)-N-(1-phenethylpiperidin-4-yl)butyramide
221.4 (para-methoxybutyryl fentanyl);
- 221.5 (69) N-(2-fluorophenyl)-2-methoxy-N-(1-phenethylpiperidin-4-yl)acetamide (ocfentanil);
- 221.6 (70) N-(4-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)isobutyramide (4-fluoroisobutyryl
221.7 fentanyl or para-fluoroisobutyryl fentanyl);
- 221.8 (71) N-(1-phenethylpiperidin-4-yl)-N-phenylacrylamide (acryl fentanyl or
221.9 acryloylfentanyl);
- 221.10 (72) 2-methoxy-N-(1-phenethylpiperidin-4-yl)-N-phenylacetamide (methoxyacetyl
221.11 fentanyl);
- 221.12 (73) N-(2-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)propionamide (ortho-fluorofentanyl
221.13 or 2-fluorofentanyl);
- 221.14 (74) N-(1-phenethylpiperidin-4-yl)-N-phenyltetrahydrofuran-2-carboxamide
221.15 (tetrahydrofuranyl fentanyl); and
- 221.16 (75) Fentanyl-related substances, their isomers, esters, ethers, salts and salts of isomers,
221.17 esters and ethers, meaning any substance not otherwise listed under another federal
221.18 Administration Controlled Substance Code Number or not otherwise listed in this section,
221.19 and for which no exemption or approval is in effect under section 505 of the Federal Food,
221.20 Drug, and Cosmetic Act, United States Code , title 21, section 355, that is structurally related
221.21 to fentanyl by one or more of the following modifications:
- 221.22 (i) replacement of the phenyl portion of the phenethyl group by any monocycle, whether
221.23 or not further substituted in or on the monocycle;
- 221.24 (ii) substitution in or on the phenethyl group with alkyl, alkenyl, alkoxy, hydroxyl, halo,
221.25 haloalkyl, amino, or nitro groups;
- 221.26 (iii) substitution in or on the piperidine ring with alkyl, alkenyl, alkoxy, ester, ether,
221.27 hydroxyl, halo, haloalkyl, amino, or nitro groups;
- 221.28 (iv) replacement of the aniline ring with any aromatic monocycle whether or not further
221.29 substituted in or on the aromatic monocycle; or
- 221.30 (v) replacement of the N-propionyl group by another acyl group.

222.1 (c) Opium derivatives. Any of the following substances, their analogs, salts, isomers,
222.2 and salts of isomers, unless specifically excepted or unless listed in another schedule,
222.3 whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

222.4 (1) acetorphine;

222.5 (2) acetyldihydrocodeine;

222.6 (3) benzylmorphine;

222.7 (4) codeine methylbromide;

222.8 (5) codeine-n-oxide;

222.9 (6) cyprenorphine;

222.10 (7) desomorphine;

222.11 (8) dihydromorphine;

222.12 (9) drotebanol;

222.13 (10) etorphine;

222.14 (11) heroin;

222.15 (12) hydromorphanol;

222.16 (13) methyl-desorphine;

222.17 (14) methyldihydromorphine;

222.18 (15) morphine methylbromide;

222.19 (16) morphine methylsulfonate;

222.20 (17) morphine-n-oxide;

222.21 (18) myrophine;

222.22 (19) nicocodeine;

222.23 (20) nicomorphine;

222.24 (21) normorphine;

222.25 (22) pholcodine; and

222.26 (23) thebacon.

222.27 (d) Hallucinogens. Any material, compound, mixture or preparation which contains any
222.28 quantity of the following substances, their analogs, salts, isomers (whether optical, positional,

223.1 or geometric), and salts of isomers, unless specifically excepted or unless listed in another
223.2 schedule, whenever the existence of the analogs, salts, isomers, and salts of isomers is
223.3 possible:

- 223.4 (1) methylenedioxy amphetamine;
- 223.5 (2) methylenedioxymethamphetamine;
- 223.6 (3) methylenedioxy-N-ethylamphetamine (MDEA);
- 223.7 (4) n-hydroxy-methylenedioxyamphetamine;
- 223.8 (5) 4-bromo-2,5-dimethoxyamphetamine (DOB);
- 223.9 (6) 2,5-dimethoxyamphetamine (2,5-DMA);
- 223.10 (7) 4-methoxyamphetamine;
- 223.11 (8) 5-methoxy-3, 4-methylenedioxyamphetamine;
- 223.12 (9) alpha-ethyltryptamine;
- 223.13 (10) bufotenine;
- 223.14 (11) diethyltryptamine;
- 223.15 (12) dimethyltryptamine;
- 223.16 (13) 3,4,5-trimethoxyamphetamine;
- 223.17 (14) 4-methyl-2, 5-dimethoxyamphetamine (DOM);
- 223.18 (15) ibogaine;
- 223.19 (16) lysergic acid diethylamide (LSD);
- 223.20 (17) mescaline;
- 223.21 (18) parahexyl;
- 223.22 (19) N-ethyl-3-piperidyl benzilate;
- 223.23 (20) N-methyl-3-piperidyl benzilate;
- 223.24 (21) psilocybin;
- 223.25 (22) psilocyn;
- 223.26 (23) tenocyclidine (TPCP or TCP);
- 223.27 (24) N-ethyl-1-phenyl-cyclohexylamine (PCE);
- 223.28 (25) 1-(1-phenylcyclohexyl) pyrrolidine (PCPy);

- 224.1 (26) 1-[1-(2-thienyl)cyclohexyl]-pyrrolidine (TCPy);
- 224.2 (27) 4-chloro-2,5-dimethoxyamphetamine (DOC);
- 224.3 (28) 4-ethyl-2,5-dimethoxyamphetamine (DOET);
- 224.4 (29) 4-iodo-2,5-dimethoxyamphetamine (DOI);
- 224.5 (30) 4-bromo-2,5-dimethoxyphenethylamine (2C-B);
- 224.6 (31) 4-chloro-2,5-dimethoxyphenethylamine (2C-C);
- 224.7 (32) 4-methyl-2,5-dimethoxyphenethylamine (2C-D);
- 224.8 (33) 4-ethyl-2,5-dimethoxyphenethylamine (2C-E);
- 224.9 (34) 4-iodo-2,5-dimethoxyphenethylamine (2C-I);
- 224.10 (35) 4-propyl-2,5-dimethoxyphenethylamine (2C-P);
- 224.11 (36) 4-isopropylthio-2,5-dimethoxyphenethylamine (2C-T-4);
- 224.12 (37) 4-propylthio-2,5-dimethoxyphenethylamine (2C-T-7);
- 224.13 (38) 2-(8-bromo-2,3,6,7-tetrahydrofuro [2,3-f][1]benzofuran-4-yl)ethanamine
- 224.14 (2-CB-FLY);
- 224.15 (39) bromo-benzodifuranyl-isopropylamine (Bromo-DragonFLY);
- 224.16 (40) alpha-methyltryptamine (AMT);
- 224.17 (41) N,N-diisopropyltryptamine (DiPT);
- 224.18 (42) 4-acetoxy-N,N-dimethyltryptamine (4-AcO-DMT);
- 224.19 (43) 4-acetoxy-N,N-diethyltryptamine (4-AcO-DET);
- 224.20 (44) 4-hydroxy-N-methyl-N-propyltryptamine (4-HO-MPT);
- 224.21 (45) 4-hydroxy-N,N-dipropyltryptamine (4-HO-DPT);
- 224.22 (46) 4-hydroxy-N,N-diallyltryptamine (4-HO-DALT);
- 224.23 (47) 4-hydroxy-N,N-diisopropyltryptamine (4-HO-DiPT);
- 224.24 (48) 5-methoxy-N,N-diisopropyltryptamine (5-MeO-DiPT);
- 224.25 (49) 5-methoxy- α -methyltryptamine (5-MeO-AMT);
- 224.26 (50) 5-methoxy-N,N-dimethyltryptamine (5-MeO-DMT);
- 224.27 (51) 5-methylthio-N,N-dimethyltryptamine (5-MeS-DMT);

- 225.1 (52) 5-methoxy-N-methyl-N-isopropyltryptamine (5-MeO-MiPT);
- 225.2 (53) 5-methoxy- α -ethyltryptamine (5-MeO-AET);
- 225.3 (54) 5-methoxy-N,N-dipropyltryptamine (5-MeO-DPT);
- 225.4 (55) 5-methoxy-N,N-diethyltryptamine (5-MeO-DET);
- 225.5 (56) 5-methoxy-N,N-diallyltryptamine (5-MeO-DALT);
- 225.6 (57) methoxetamine (MXE);
- 225.7 (58) 5-iodo-2-aminoindane (5-IAI);
- 225.8 (59) 5,6-methylenedioxy-2-aminoindane (MDAI);
- 225.9 (60) 2-(4-bromo-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (25B-NBOMe);
- 225.10 (61) 2-(4-chloro-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (25C-NBOMe);
- 225.11 (62) 2-(4-iodo-2,5-dimethoxyphenyl)-N-(2-methoxybenzyl)ethanamine (25I-NBOMe);
- 225.12 (63) 2-(2,5-Dimethoxyphenyl)ethanamine (2C-H);
- 225.13 (64) 2-(4-Ethylthio-2,5-dimethoxyphenyl)ethanamine (2C-T-2);
- 225.14 (65) N,N-Dipropyltryptamine (DPT);
- 225.15 (66) 3-[1-(Piperidin-1-yl)cyclohexyl]phenol (3-HO-PCP);
- 225.16 (67) N-ethyl-1-(3-methoxyphenyl)cyclohexanamine (3-MeO-PCE);
- 225.17 (68) 4-[1-(3-methoxyphenyl)cyclohexyl]morpholine (3-MeO-PCMo);
- 225.18 (69) 1-[1-(4-methoxyphenyl)cyclohexyl]-piperidine (methoxydine, 4-MeO-PCP);
- 225.19 (70) 2-(2-Chlorophenyl)-2-(ethylamino)cyclohexan-1-one (N-Ethylorketamine,
- 225.20 ethketamine, NENK);
- 225.21 (71) methylenedioxy-N,N-dimethylamphetamine (MDDMA);
- 225.22 (72) 3-(2-Ethyl(methyl)aminoethyl)-1H-indol-4-yl (4-AcO-MET); and
- 225.23 (73) 2-Phenyl-2-(methylamino)cyclohexanone (deschloroketamine).
- 225.24 (e) Peyote. All parts of the plant presently classified botanically as *Lophophora williamsii*
- 225.25 Lemaire, whether growing or not, the seeds thereof, any extract from any part of the plant,
- 225.26 and every compound, manufacture, salts, derivative, mixture, or preparation of the plant,
- 225.27 its seeds or extracts. The listing of peyote as a controlled substance in Schedule I does not
- 225.28 apply to the nondrug use of peyote in bona fide religious ceremonies of the American Indian
- 225.29 Church, and members of the American Indian Church are exempt from registration. Any

226.1 person who manufactures peyote for or distributes peyote to the American Indian Church,
226.2 however, is required to obtain federal registration annually and to comply with all other
226.3 requirements of law.

226.4 (f) Central nervous system depressants. Unless specifically excepted or unless listed in
226.5 another schedule, any material compound, mixture, or preparation which contains any
226.6 quantity of the following substances, their analogs, salts, isomers, and salts of isomers
226.7 whenever the existence of the analogs, salts, isomers, and salts of isomers is possible:

226.8 (1) mecloqualone;

226.9 (2) methaqualone;

226.10 (3) gamma-hydroxybutyric acid (GHB), including its esters and ethers;

226.11 (4) flunitrazepam;

226.12 (5) 2-(2-Methoxyphenyl)-2-(methylamino)cyclohexanone (2-MeO-2-deschloroketamine,
226.13 methoxyketamine);

226.14 (6) tianeptine;

226.15 (7) clonazepam;

226.16 (8) etizolam;

226.17 (9) flubromazolam; and

226.18 (10) flubromazepam.

226.19 (g) Stimulants. Unless specifically excepted or unless listed in another schedule, any
226.20 material compound, mixture, or preparation which contains any quantity of the following
226.21 substances, their analogs, salts, isomers, and salts of isomers whenever the existence of the
226.22 analogs, salts, isomers, and salts of isomers is possible:

226.23 (1) aminorex;

226.24 (2) cathinone;

226.25 (3) fenethylamine;

226.26 (4) methcathinone;

226.27 (5) methylaminorex;

226.28 (6) N,N-dimethylamphetamine;

226.29 (7) N-benzylpiperazine (BZP);

- 227.1 (8) methylenecathinone (mephedrone);
- 227.2 (9) 3,4-methylenedioxy-N-methylcathinone (methydone);
- 227.3 (10) methoxymethcathinone (methedrone);
- 227.4 (11) methylenedioxypropylvalerone (MDPV);
- 227.5 (12) 3-fluoro-N-methylcathinone (3-FMC);
- 227.6 (13) methylethcathinone (MEC);
- 227.7 (14) 1-benzofuran-6-ylpropan-2-amine (6-APB);
- 227.8 (15) dimethylmethcathinone (DMMC);
- 227.9 (16) fluoroamphetamine;
- 227.10 (17) fluoromethamphetamine;
- 227.11 (18) α -methylaminobutyrophenone (MABP or buphedrone);
- 227.12 (19) 1-(1,3-benzodioxol-5-yl)-2-(methylamino)butan-1-one (butylone);
- 227.13 (20) 2-(methylamino)-1-(4-methylphenyl)butan-1-one (4-MEMABP or BZ-6378);
- 227.14 (21) 1-(naphthalen-2-yl)-2-(pyrrolidin-1-yl) pentan-1-one (naphthylpyrovalerone or
- 227.15 naphyrone);
- 227.16 (22) (alpha-pyrrolidinopentiophenone (alpha-PVP);
- 227.17 (23) (RS)-1-(4-methylphenyl)-2-(1-pyrrolidinyl)-1-hexanone (4-Me-PHP or MPHP);
- 227.18 (24) 2-(1-pyrrolidinyl)-hexanophenone (Alpha-PHP);
- 227.19 (25) 4-methyl-N-ethylcathinone (4-MEC);
- 227.20 (26) 4-methyl-alpha-pyrrolidinopropiophenone (4-MePPP);
- 227.21 (27) 2-(methylamino)-1-phenylpentan-1-one (pentedrone);
- 227.22 (28) 1-(1,3-benzodioxol-5-yl)-2-(methylamino)pentan-1-one (pentylone);
- 227.23 (29) 4-fluoro-N-methylcathinone (4-FMC);
- 227.24 (30) 3,4-methylenedioxy-N-ethylcathinone (ethylone);
- 227.25 (31) alpha-pyrrolidinobutiophenone (α -PBP);
- 227.26 (32) 5-(2-Aminopropyl)-2,3-dihydrobenzofuran (5-APDB);
- 227.27 (33) 1-phenyl-2-(1-pyrrolidinyl)-1-heptanone (PV8);

- 228.1 (34) 6-(2-Aminopropyl)-2,3-dihydrobenzofuran (6-APDB);
- 228.2 (35) 4-methyl-alpha-ethylaminopentiophenone (4-MEAPP);
- 228.3 (36) 4'-chloro-alpha-pyrrolidinopropiophenone (4'-chloro-PPP);
- 228.4 (37) 1-(1,3-Benzodioxol-5-yl)-2-(dimethylamino)butan-1-one (dibutylone, bk-DMBDB);
- 228.5 (38) 1-(3-chlorophenyl) piperazine (meta-chlorophenylpiperazine or mCPP);
- 228.6 (39) 1-(1,3-benzodioxol-5-yl)-2-(ethylamino)-pentan-1-one (N-ethylpentylone, ephylone);
- 228.7 and
- 228.8 (40) any other substance, except bupropion or compounds listed under a different
- 228.9 schedule, that is structurally derived from 2-aminopropan-1-one by substitution at the
- 228.10 1-position with either phenyl, naphthyl, or thiophene ring systems, whether or not the
- 228.11 compound is further modified in any of the following ways:
- 228.12 (i) by substitution in the ring system to any extent with alkyl, alkylenedioxy, alkoxy,
- 228.13 haloalkyl, hydroxyl, or halide substituents, whether or not further substituted in the ring
- 228.14 system by one or more other univalent substituents;
- 228.15 (ii) by substitution at the 3-position with an acyclic alkyl substituent;
- 228.16 (iii) by substitution at the 2-amino nitrogen atom with alkyl, dialkyl, benzyl, or
- 228.17 methoxybenzyl groups; or
- 228.18 (iv) by inclusion of the 2-amino nitrogen atom in a cyclic structure.
- 228.19 ~~(h) Marijuana, tetrahydrocannabinols, and synthetic cannabinoids. Unless specifically~~
- 228.20 ~~excepted or unless listed in another schedule, any natural or synthetic material, compound,~~
- 228.21 ~~mixture, or preparation that contains any quantity of the following substances, their analogs,~~
- 228.22 ~~isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence~~
- 228.23 ~~of the isomers, esters, ethers, or salts is possible:~~
- 228.24 ~~(1) marijuana;~~
- 228.25 ~~(2) tetrahydrocannabinols naturally contained in a plant of the genus Cannabis, except~~
- 228.26 ~~that tetrahydrocannabinols do not include any material, compound, mixture, or preparation~~
- 228.27 ~~that qualifies as industrial hemp as defined in section 18K.02, subdivision 3; synthetic~~
- 228.28 ~~equivalents of the substances contained in the cannabis plant or in the resinous extractives~~
- 228.29 ~~of the plant; or synthetic substances with similar chemical structure and pharmacological~~
- 228.30 ~~activity to those substances contained in the plant or resinous extract, including, but not~~
- 228.31 ~~limited to, 1-cis or trans tetrahydrocannabinol, 6-cis or trans tetrahydrocannabinol, and 3,4~~
- 228.32 ~~cis or trans tetrahydrocannabinol;~~

229.1 ~~(3)~~ (h) Synthetic cannabinoids, including the following substances:

229.2 ~~(i)~~ (1) Naphthoylindoles, which are any compounds containing a 3-(1-naphthoyl)indole
 229.3 structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,
 229.4 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
 229.5 2-(4-morpholinyl)ethyl group, whether or not further substituted in the indole ring to any
 229.6 extent and whether or not substituted in the naphthyl ring to any extent. Examples of
 229.7 naphthoylindoles include, but are not limited to:

229.8 ~~(A)~~ (i) 1-Pentyl-3-(1-naphthoyl)indole (JWH-018 and AM-678);

229.9 ~~(B)~~ (ii) 1-Butyl-3-(1-naphthoyl)indole (JWH-073);

229.10 ~~(C)~~ (iii) 1-Pentyl-3-(4-methoxy-1-naphthoyl)indole (JWH-081);

229.11 ~~(D)~~ (iv) 1-[2-(4-morpholinyl)ethyl]-3-(1-naphthoyl)indole (JWH-200);

229.12 ~~(E)~~ (v) 1-Propyl-2-methyl-3-(1-naphthoyl)indole (JWH-015);

229.13 ~~(F)~~ (vi) 1-Hexyl-3-(1-naphthoyl)indole (JWH-019);

229.14 ~~(G)~~ (vii) 1-Pentyl-3-(4-methyl-1-naphthoyl)indole (JWH-122);

229.15 ~~(H)~~ (viii) 1-Pentyl-3-(4-ethyl-1-naphthoyl)indole (JWH-210);

229.16 ~~(I)~~ (ix) 1-Pentyl-3-(4-chloro-1-naphthoyl)indole (JWH-398);

229.17 ~~(J)~~ (x) 1-(5-fluoropentyl)-3-(1-naphthoyl)indole (AM-2201).

229.18 ~~(ii)~~ (2) Naphthylmethyindoles, which are any compounds containing a
 229.19 1H-indol-3-yl-(1-naphthyl)methane structure with substitution at the nitrogen atom of the
 229.20 indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
 229.21 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further
 229.22 substituted in the indole ring to any extent and whether or not substituted in the naphthyl
 229.23 ring to any extent. Examples of naphthylmethyindoles include, but are not limited to:

229.24 ~~(A)~~ (i) 1-Pentyl-1H-indol-3-yl-(1-naphthyl)methane (JWH-175);

229.25 ~~(B)~~ (ii) 1-Pentyl-1H-indol-3-yl-(4-methyl-1-naphthyl)methane (JWH-184).

229.26 ~~(iii)~~ (3) Naphthoylpyrroles, which are any compounds containing a 3-(1-naphthoyl)pyrrole
 229.27 structure with substitution at the nitrogen atom of the pyrrole ring by an alkyl, haloalkyl,
 229.28 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
 229.29 2-(4-morpholinyl)ethyl group whether or not further substituted in the pyrrole ring to any
 229.30 extent, whether or not substituted in the naphthyl ring to any extent. Examples of

- 230.1 naphthoylpyrroles include, but are not limited to,
230.2 (5-(2-fluorophenyl)-1-pentylpyrrol-3-yl)-naphthalen-1-ylmethanone (JWH-307).
- 230.3 ~~(iv)~~ (4) Naphthylmethylindenes, which are any compounds containing a
230.4 naphthylideneindene structure with substitution at the 3-position of the indene ring by an
230.5 alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
230.6 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further
230.7 substituted in the indene ring to any extent, whether or not substituted in the naphthyl ring
230.8 to any extent. Examples of naphthylmethylindenes include, but are not limited to,
230.9 E-1-[1-(1-naphthalenylmethylene)-1H-inden-3-yl]pentane (JWH-176).
- 230.10 ~~(v)~~ (5) Phenylacetylindoles, which are any compounds containing a 3-phenylacetylindole
230.11 structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,
230.12 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
230.13 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any
230.14 extent, whether or not substituted in the phenyl ring to any extent. Examples of
230.15 phenylacetylindoles include, but are not limited to:
- 230.16 ~~(A)~~ (i) 1-(2-cyclohexylethyl)-3-(2-methoxyphenylacetyl)indole (RCS-8);
230.17 ~~(B)~~ (ii) 1-pentyl-3-(2-methoxyphenylacetyl)indole (JWH-250);
230.18 ~~(C)~~ (iii) 1-pentyl-3-(2-methylphenylacetyl)indole (JWH-251);
230.19 ~~(D)~~ (iv) 1-pentyl-3-(2-chlorophenylacetyl)indole (JWH-203).
- 230.20 ~~(vi)~~ (6) Cyclohexylphenols, which are compounds containing a
230.21 2-(3-hydroxycyclohexyl)phenol structure with substitution at the 5-position of the phenolic
230.22 ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl,
230.23 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not substituted
230.24 in the cyclohexyl ring to any extent. Examples of cyclohexylphenols include, but are not
230.25 limited to:
- 230.26 ~~(A)~~ (i) 5-(1,1-dimethylheptyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol (CP 47,497);
230.27 ~~(B)~~ (ii) 5-(1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol
230.28 (Cannabicyclohexanol or CP 47,497 C8 homologue);
230.29 ~~(C)~~ (iii) 5-(1,1-dimethylheptyl)-2-[(1R,2R)-5-hydroxy-2-(3-hydroxypropyl)cyclohexyl]
230.30 -phenol (CP 55,940).
- 230.31 ~~(vii)~~ (7) Benzoylindoles, which are any compounds containing a 3-(benzoyl)indole
230.32 structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl,

- 231.1 alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or
 231.2 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any
 231.3 extent and whether or not substituted in the phenyl ring to any extent. Examples of
 231.4 benzoylindoles include, but are not limited to:
- 231.5 ~~(A)~~ (i) 1-Pentyl-3-(4-methoxybenzoyl)indole (RCS-4);
- 231.6 ~~(B)~~ (ii) 1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole (AM-694);
- 231.7 ~~(C)~~ (iii) (4-methoxyphenyl-[2-methyl-1-(2-(4-morpholinyl)ethyl)indol-3-yl]methanone
 231.8 (WIN 48,098 or Pravadoline).
- 231.9 ~~(viii)~~ (8) Others specifically named:
- 231.10 ~~(A)~~ (i) (6aR,10aR)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)
 231.11 -6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (HU-210);
- 231.12 ~~(B)~~ (ii) (6aS,10aS)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-methyloctan-2-yl)
 231.13 -6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol (Dexanabinol or HU-211);
- 231.14 ~~(C)~~ (iii) 2,3-dihydro-5-methyl-3-(4-morpholinylmethyl)pyrrolo[1,2,3-de]
 231.15 -1,4-benzoxazin-6-yl-1-naphthalenylmethanone (WIN 55,212-2);
- 231.16 ~~(D)~~ (iv) (1-pentylindol-3-yl)-(2,2,3,3-tetramethylcyclopropyl)methanone (UR-144);
- 231.17 ~~(E)~~ (v) (1-(5-fluoropentyl)-1H-indol-3-yl)(2,2,3,3-tetramethylcyclopropyl)methanone
 231.18 (XLR-11);
- 231.19 ~~(F)~~ (vi) 1-pentyl-N-tricyclo[3.3.1.1^{3,7}]dec-1-yl-1H-indazole-3-carboxamide
 231.20 (AKB-48(APINACA));
- 231.21 ~~(G)~~ (vii) N-((3s,5s,7s)-adamantan-1-yl)-1-(5-fluoropentyl)-1H-indazole-3-carboxamide
 231.22 (5-Fluoro-AKB-48);
- 231.23 ~~(H)~~ (viii) 1-pentyl-8-quinolinyl ester-1H-indole-3-carboxylic acid (PB-22);
- 231.24 ~~(I)~~ (ix) 8-quinolinyl ester-1-(5-fluoropentyl)-1H-indole-3-carboxylic acid (5-Fluoro
 231.25 PB-22);
- 231.26 ~~(J)~~ (x) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-pentyl-1H-indazole-3-carboxamide
 231.27 (AB-PINACA);
- 231.28 ~~(K)~~ (xi) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-[(4-fluorophenyl)methyl]-
 231.29 1H-indazole-3-carboxamide (AB-FUBINACA);
- 231.30 ~~(L)~~ (xii) N-[(1S)-1-(aminocarbonyl)-2-methylpropyl]-1-(cyclohexylmethyl)-1H-
 231.31 indazole-3-carboxamide(AB-CHMINACA);

- 232.1 ~~(M)~~ (xiii) (S)-methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3-
- 232.2 methylbutanoate (5-fluoro-AMB);
- 232.3 ~~(N)~~ (xiv) [1-(5-fluoropentyl)-1H-indazol-3-yl](naphthalen-1-yl) methanone (THJ-2201);
- 232.4 ~~(O)~~ (xv) (1-(5-fluoropentyl)-1H-benzo[d]imidazol-2-yl)(naphthalen-1-yl)methanone)
- 232.5 (FUBIMINA);
- 232.6 ~~(P)~~ (xvi) (7-methoxy-1-(2-morpholinoethyl)-N-((1S,2S,4R)-1,3,3-trimethylbicyclo
- 232.7 [2.2.1]heptan-2-yl)-1H-indole-3-carboxamide (MN-25 or UR-12);
- 232.8 ~~(Q)~~ (xvii) (S)-N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(5-fluoropentyl)
- 232.9 -1H-indole-3-carboxamide (5-fluoro-ABICA);
- 232.10 ~~(R)~~ (xviii) N-(1-amino-3-phenyl-1-oxopropan-2-yl)-1-(5-fluoropentyl)
- 232.11 -1H-indole-3-carboxamide;
- 232.12 ~~(S)~~ (xix) N-(1-amino-3-phenyl-1-oxopropan-2-yl)-1-(5-fluoropentyl)
- 232.13 -1H-indazole-3-carboxamide;
- 232.14 ~~(T)~~ (xx) methyl 2-(1-(cyclohexylmethyl)-1H-indole-3-carboxamido)
- 232.15 -3,3-dimethylbutanoate;
- 232.16 ~~(U)~~ (xxi) N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1(cyclohexylmethyl)-1
- 232.17 H-indazole-3-carboxamide (MAB-CHMINACA);
- 232.18 ~~(V)~~ (xxii)
- 232.19 N-(1-Amino-3,3-dimethyl-1-oxo-2-butanyl)-1-pentyl-1H-indazole-3-carboxamide
- 232.20 (ADB-PINACA);
- 232.21 ~~(W)~~ (xxiii) methyl (1-(4-fluorobenzyl)-1H-indazole-3-carbonyl)-L-valinate (FUB-AMB);
- 232.22 ~~(X)~~ (xxiv)
- 232.23 N-[(1S)-2-amino-2-oxo-1-(phenylmethyl)ethyl]-1-(cyclohexylmethyl)-1H-Indazole-
- 232.24 3-carboxamide. (APP-CHMINACA);
- 232.25 ~~(Y)~~ (xxv) quinolin-8-yl 1-(4-fluorobenzyl)-1H-indole-3-carboxylate (FUB-PB-22); and
- 232.26 ~~(Z)~~ (xxvi) methyl N-[1-(cyclohexylmethyl)-1H-indole-3-carbonyl]valinate
- 232.27 (MMB-CHMICA).
- 232.28 ~~(ix)~~ (9) Additional substances specifically named:
- 232.29 ~~(A)~~ (i) 1-(5-fluoropentyl)-N-(2-phenylpropan-2-yl)-1
- 232.30 H-pyrrolo[2,3-B]pyridine-3-carboxamide (5F-CUMYL-P7AICA);

233.1 ~~(B)~~ (ii) 1-(4-cyanobutyl)-N-(2-phenylpropan-2-yl)-1H-indazole-3-carboxamide
 233.2 (4-CN-Cumyl-Butinaca);

233.3 ~~(C)~~ (iii) naphthalen-1-yl-1-(5-fluoropentyl)-1H-indole-3-carboxylate (NM2201;
 233.4 CBL2201);

233.5 ~~(D)~~ (iv) N-(1-amino-3-methyl-1-oxobutan-2-yl)-1-(5-fluoropentyl)-1
 233.6 H-indazole-3-carboxamide (5F-ABPINACA);

233.7 ~~(E)~~ (v) methyl-2-(1-(cyclohexylmethyl)-1H-indole-3-carboxamido)-3,3-dimethylbutanoate
 233.8 (MDMB CHMICA);

233.9 ~~(F)~~ (vi) methyl 2-(1-(5-fluoropentyl)-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate
 233.10 (5F-ADB; 5F-MDMB-PINACA); and

233.11 ~~(G)~~ (vii) N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1-(4-fluorobenzyl)
 233.12 1H-indazole-3-carboxamide (ADB-FUBINACA).

233.13 (i) A controlled substance analog, to the extent that it is implicitly or explicitly intended
 233.14 for human consumption.

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

233.16 Sec. 2. Minnesota Statutes 2022, section 152.02, subdivision 4, is amended to read:

233.17 Subd. 4. **Schedule III.** (a) Schedule III consists of the substances listed in this subdivision.

233.18 (b) Stimulants. Unless specifically excepted or unless listed in another schedule, any
 233.19 material, compound, mixture, or preparation which contains any quantity of the following
 233.20 substances having a potential for abuse associated with a stimulant effect on the central
 233.21 nervous system, including its salts, isomers, and salts of such isomers whenever the existence
 233.22 of such salts, isomers, and salts of isomers is possible within the specific chemical
 233.23 designation:

233.24 (1) benzphetamine;

233.25 (2) chlorphentermine;

233.26 (3) clortermine;

233.27 (4) phendimetrazine.

233.28 (c) Depressants. Unless specifically excepted or unless listed in another schedule, any
 233.29 material, compound, mixture, or preparation which contains any quantity of the following
 233.30 substances having a potential for abuse associated with a depressant effect on the central
 233.31 nervous system:

- 234.1 (1) any compound, mixture, or preparation containing amobarbital, secobarbital,
234.2 pentobarbital or any salt thereof and one or more other active medicinal ingredients which
234.3 are not listed in any schedule;
- 234.4 (2) any suppository dosage form containing amobarbital, secobarbital, pentobarbital, or
234.5 any salt of any of these drugs and approved by the food and drug administration for marketing
234.6 only as a suppository;
- 234.7 (3) any substance which contains any quantity of a derivative of barbituric acid, or any
234.8 salt of a derivative of barbituric acid, except those substances which are specifically listed
234.9 in other schedules;
- 234.10 (4) any drug product containing gamma hydroxybutyric acid, including its salts, isomers,
234.11 and salts of isomers, for which an application is approved under section 505 of the federal
234.12 Food, Drug, and Cosmetic Act;
- 234.13 (5) any of the following substances:
- 234.14 (i) chlorhexadol;
- 234.15 (ii) ketamine, its salts, isomers and salts of isomers;
- 234.16 (iii) lysergic acid;
- 234.17 (iv) lysergic acid amide;
- 234.18 (v) methyprylon;
- 234.19 (vi) sulfondiethylmethane;
- 234.20 (vii) sulfonethylmethane;
- 234.21 (viii) sulfonmethane;
- 234.22 (ix) tiletamine and zolazepam and any salt thereof;
- 234.23 (x) embutramide;
- 234.24 (xi) Perampanel [2-(2-oxo-1-phenyl-5-pyridin-2-yl-1,2-Dihydropyridin-3-yl)
234.25 benzonitrile].
- 234.26 (d) Nalorphine.
- 234.27 (e) Narcotic drugs. Unless specifically excepted or unless listed in another schedule,
234.28 any material, compound, mixture, or preparation containing any of the following narcotic
234.29 drugs, or their salts calculated as the free anhydrous base or alkaloid, in limited quantities
234.30 as follows:

- 235.1 (1) not more than 1.80 grams of codeine per 100 milliliters or not more than 90 milligrams
235.2 per dosage unit, with an equal or greater quantity of an isoquinoline alkaloid of opium;
- 235.3 (2) not more than 1.80 grams of codeine per 100 milliliters or not more than 90 milligrams
235.4 per dosage unit, with one or more active, nonnarcotic ingredients in recognized therapeutic
235.5 amounts;
- 235.6 (3) not more than 1.80 grams of dihydrocodeine per 100 milliliters or not more than 90
235.7 milligrams per dosage unit, with one or more active, nonnarcotic ingredients in recognized
235.8 therapeutic amounts;
- 235.9 (4) not more than 300 milligrams of ethylmorphine per 100 milliliters or not more than
235.10 15 milligrams per dosage unit, with one or more active, nonnarcotic ingredients in recognized
235.11 therapeutic amounts;
- 235.12 (5) not more than 500 milligrams of opium per 100 milliliters or per 100 grams, or not
235.13 more than 25 milligrams per dosage unit, with one or more active, nonnarcotic ingredients
235.14 in recognized therapeutic amounts;
- 235.15 (6) not more than 50 milligrams of morphine per 100 milliliters or per 100 grams with
235.16 one or more active, nonnarcotic ingredients in recognized therapeutic amounts.
- 235.17 (f) Anabolic steroids, human growth hormone, and chorionic gonadotropin.
- 235.18 (1) Anabolic steroids, for purposes of this subdivision, means any drug or hormonal
235.19 substance, chemically and pharmacologically related to testosterone, other than estrogens,
235.20 progestins, corticosteroids, and dehydroepiandrosterone, and includes:
- 235.21 (i) 3[beta],17[beta]-dihydroxy-5[alpha]-androstane;
- 235.22 (ii) 3[alpha],17[beta]-dihydroxy-5[alpha]-androstane;
- 235.23 (iii) androstanedione (5[alpha]-androstan-3,17-dione);
- 235.24 (iv) 1-androstenediol (3[beta],17[beta]-dihydroxy-5[alpha]-androst-1-ene);
- 235.25 (v) 3[alpha],17[beta]-dihydroxy-5[alpha]-androst-1-ene);
- 235.26 (vi) 4-androstenediol (3[beta],17[beta]-dihydroxy-androst-4-ene);
- 235.27 (vii) 5-androstenediol (3[beta],17[beta]-dihydroxy-androst-5-ene);
- 235.28 (viii) 1-androstenedione (5[alpha]-androst-1-en-3,17-dione);
- 235.29 (ix) 4-androstenedione (androst-4-en-3,17-dione);
- 235.30 (x) 5-androstenedione (androst-5-en-3,17-dione);

- 236.1 (xi) bolasterone (7[alpha],17[alpha]-dimethyl-17[beta]-hydroxyandrost-4-en-3-one);
- 236.2 (xii) boldenone (17[beta]-hydroxyandrost-1,4-diene-3-one);
- 236.3 (xiii) boldione (androsta-1,4-diene-3,17-dione);
- 236.4 (xiv) calusterone (7[beta],17[alpha]-dimethyl-17[beta]-hydroxyandrost-4-en-3-one);
- 236.5 (xv) clostebol (4-chloro-17[beta]-hydroxyandrost-4-en-3-one);
- 236.6 (xvi) dehydrochloromethyltestosterone
- 236.7 (4-chloro-17[beta]-hydroxy-17[alpha]-methylandrost-1,4-dien-3-one);
- 236.8 (xvii) desoxymethyltestosterone (17[alpha]-methyl-5[alpha]-androst-2-en-17[beta]-ol);
- 236.9 (xviii) [delta]1-dihydrotestosterone- (17[beta]-hydroxy-5[alpha]-androst-1-en-3-one);
- 236.10 (xix) 4-dihydrotestosterone (17[beta]-hydroxy-androstan-3-one);
- 236.11 (xx) drostanolone (17[beta]hydroxy-2[alpha]-methyl-5[alpha]-androstan-3-one);
- 236.12 (xxi) ethylestrenol (17[alpha]-ethyl-17[beta]-hydroxyestr-4-ene);
- 236.13 (xxii) fluoxymesterone
- 236.14 (9-fluoro-17[alpha]-methyl-11[beta],17[beta]-dihydroxyandrost-4-en-3-one);
- 236.15 (xxiii) formebolone
- 236.16 (2-formyl-17[alpha]-methyl-11[alpha],17[beta]-dihydroxyandrost-1,4-dien-3-one);
- 236.17 (xxiv) furazabol
- 236.18 (17[alpha]-methyl-17[beta]-hydroxyandrostano[2,3-c]-furazan)13[beta]-ethyl-17[beta]
- 236.19 -hydroxygon-4-en-3-one;
- 236.20 (xxv) 4-hydroxytestosterone (4,17[beta]-dihydroxyandrost-4-en-3-one);
- 236.21 (xxvi) 4-hydroxy-19-nortestosterone (4,17[beta]-dihydroxyestr-4-en-3-one);
- 236.22 (xxvii) mestanolone (17[alpha]-methyl-17[beta]-hydroxy-5[alpha]-androstan-3-one);
- 236.23 (xxviii) mesterolone (1[alpha]-methyl-17[beta]-hydroxy-5[alpha]-androstan-3-one);
- 236.24 (xxix) methandienone (17[alpha]-methyl-17[beta]-hydroxyandrost-1,4-dien-3-one);
- 236.25 (xxx) methandriol (17[alpha]-methyl-3[beta],17[beta]-dihydroxyandrost-5-ene);
- 236.26 (xxxii) methasterone (2 alpha-17 alpha-dimethyl-5 alpha-androstan-17beta-ol-3-one);
- 236.27 (xxxii) methenolone (1-methyl-17[beta]-hydroxy-5[alpha]-androst-1-en-3-one);
- 236.28 (xxxiii) 17[alpha]-methyl-3[beta],17[beta]-dihydroxy-5[alpha]-androstan-

- 237.1 (xxxiv) 17[alpha]-methyl-3[alpha],17[beta]-dihydroxy-5[alpha]-androstane;
- 237.2 (xxxv) 17[alpha]-methyl-3[beta],17[beta]-dihydroxyandrost-4-ene;
- 237.3 (xxxvi) 17[alpha]-methyl-4-hydroxynandrolone
- 237.4 (17[alpha]-methyl-4-hydroxy-17[beta]-hydroxyestr-4-en-3-one);
- 237.5 (xxxvii) methyldienolone (17[alpha]-methyl-17[beta]-hydroxyestra-4,9(10)-dien-3-one);
- 237.6 (xxxviii) methyltrienolone (17[alpha]-methyl-17[beta]-hydroxyestra-4,9-11-trien-3-one);
- 237.7 (xxxix) methyltestosterone (17[alpha]-methyl-17[beta]-hydroxyandrost-4-en-3-one);
- 237.8 (xl) mibolerone (7[alpha],17[alpha]-dimethyl-17[beta]-hydroxyestr-4-en-3-one);
- 237.9 (xli) 17[alpha]-methyl-[delta]1-dihydrotestosterone
- 237.10 (17[beta]-hydroxy-17[alpha]-methyl-5[alpha]-androst-1-en-3-one);
- 237.11 (xlii) nandrolone (17[beta]-hydroxyestr-4-en-3-one);
- 237.12 (xliii) 19-nor-4-androstenediol (3[beta],17[beta]-dihydroxyestr-4-ene;
- 237.13 (xliv) 3[alpha],17[beta]-dihydroxyestr-4-ene); 19-nor-5-androstenediol
- 237.14 (3[beta],17[beta]-dihydroxyestr-5-ene;
- 237.15 (xlv) 3[alpha],17[beta]-dihydroxyestr-5-ene);
- 237.16 (xlvi) 19-nor-4,9(10)-androstadienedione (estra-4,9(10)-diene-3,17-dione);
- 237.17 (xlvii) 19-nor-5-androstenedione (estr-5-en-3,17-dione);
- 237.18 (xlviii) norbolethone (13[beta],17[alpha]-diethyl-17[beta]-hydroxygon-4-en-3-one);
- 237.19 (xlix) norclostebol (4-chloro-17[beta]-hydroxyestr-4-en-3-one);
- 237.20 (l) norethandrolone (17[alpha]-ethyl-17[beta]-hydroxyestr-4-en-3-one);
- 237.21 (li) normethandrolone (17[alpha]-methyl-17[beta]-hydroxyestr-4-en-3-one);
- 237.22 (lii) oxandrolone (17[alpha]-methyl-17[beta]-hydroxy-2-oxa-5[alpha]-androstan-3-one);
- 237.23 (liii) oxymesterone (17[alpha]-methyl-4,17[beta]-dihydroxyandrost-4-en-3-one);
- 237.24 (liv) oxymetholone
- 237.25 (17[alpha]-methyl-2-hydroxymethylene-17[beta]-hydroxy-5[alpha]-androstan-3-one);
- 237.26 (lv) prostanazol (17 beta-hydroxy-5 alpha-androstano[3,2-C]pyrazole;
- 237.27 (lvi) stanozolol
- 237.28 (17[alpha]-methyl-17[beta]-hydroxy-5[alpha]-androst-2-eno[3,2-c]-pyrazole);

- 238.1 (lvii) stenbolone (17[beta]-hydroxy-2-methyl-5[alpha]-androst-1-en-3-one);
- 238.2 (lviii) testolactone (13-hydroxy-3-oxo-13,17-secoandrosta-1,4-dien-17-oic acid lactone);
- 238.3 (lix) testosterone (17[beta]-hydroxyandrost-4-en-3-one);
- 238.4 (lx) tetrahydrogestrinone
- 238.5 (13[beta],17[alpha]-diethyl-17[beta]-hydroxygon-4,9,11-trien-3-one);
- 238.6 (lxi) trenbolone (17[beta]-hydroxyestr-4,9,11-trien-3-one);
- 238.7 (lxii) any salt, ester, or ether of a drug or substance described in this paragraph.
- 238.8 Anabolic steroids are not included if they are: (A) expressly intended for administration
- 238.9 through implants to cattle or other nonhuman species; and (B) approved by the United States
- 238.10 Food and Drug Administration for that use;
- 238.11 (2) Human growth hormones.
- 238.12 (3) Chorionic gonadotropin, except that a product containing chorionic gonadotropin is
- 238.13 not included if it is:
- 238.14 (i) expressly intended for administration to cattle or other nonhuman species; and
- 238.15 (ii) approved by the United States Food and Drug Administration for that use.
- 238.16 (g) Hallucinogenic substances. Dronabinol (synthetic) in sesame oil and encapsulated
- 238.17 in a soft gelatin capsule in a United States Food and Drug Administration approved product.
- 238.18 (h) Any material, compound, mixture, or preparation containing the following narcotic
- 238.19 drug or its salt: buprenorphine.
- 238.20 (i) Marijuana, tetrahydrocannabinols, and synthetic cannabinoids. Unless specifically
- 238.21 excepted or unless listed in another schedule, any natural or synthetic material, compound,
- 238.22 mixture, or preparation that contains any quantity of the following substances, their analogs,
- 238.23 isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence
- 238.24 of the isomers, esters, ethers, or salts is possible:
- 238.25 (1) marijuana;
- 238.26 (2) tetrahydrocannabinols naturally contained in a plant of the genus Cannabis, except
- 238.27 that tetrahydrocannabinols do not include any material, compound, mixture, or preparation
- 238.28 that qualifies as industrial hemp as defined in section 18K.02, subdivision 3; synthetic
- 238.29 equivalents of the substances contained in the cannabis plant or in the resinous extractives
- 238.30 of the plant; or synthetic substances with similar chemical structure and pharmacological
- 238.31 activity to those substances contained in the plant or resinous extract, including but not

239.1 limited to 1 cis or trans tetrahydrocannabinol, 6 cis or trans tetrahydrocannabinol, and 3,4
239.2 cis or trans tetrahydrocannabinol.

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

239.4 **ARTICLE 9**
239.5 **APPROPRIATIONS**

239.6 Section 1. **APPROPRIATIONS.**

239.7 Subdivision 1. **Office of Cannabis Management.** (a) \$7,595,000 in fiscal year 2024
239.8 and \$7,659,000 in fiscal year 2025 are appropriated from the general fund to the Cannabis
239.9 Management Board for purposes of this act. The base for this appropriation is \$14,705,500
239.10 in fiscal year 2026 and \$21,004,000 in fiscal year 2027.

239.11 (b) Of the amount appropriated under paragraph (a), \$133,000 in fiscal year 2024 and
239.12 \$461,000 in fiscal year 2025 are for rulemaking. The base for this appropriation is \$151,000
239.13 in fiscal year 2024 and thereafter.

239.14 (c) Of the base established in paragraph (a), \$12,000,000 in fiscal year 2026 and
239.15 \$20,000,000 in fiscal year 2027 are for cannabis industry community renewal grants. Of
239.16 these amounts, up to three percent may be used for administrative expenses.

239.17 (d) Of the base established in paragraph (a), \$600,000 in fiscal year 2026 and \$1,004,000
239.18 in fiscal year 2027 are for the administration of substance use disorder treatment and
239.19 prevention grants.

239.20 Subd. 2. **Department of Agriculture.** \$912,000 in fiscal year 2024 and \$1,736,000 in
239.21 fiscal year 2025 are appropriated from the general fund to the commissioner of agriculture
239.22 for food safety and pesticide enforcement lab testing and rulemaking related to changes in
239.23 cannabis laws. The base for this appropriation is \$1,447,000 in fiscal year 2026 and
239.24 \$1,178,000 in fiscal year 2027.

239.25 Subd. 3. **Cannabis Expungement Board.** \$921,000 in fiscal year 2024 and \$844,000
239.26 in fiscal year 2025 are appropriated from the general fund to the Cannabis Expungement
239.27 Board for staffing and other expenses related to reviewing criminal convictions and issuing
239.28 decisions related to expungement and resentencing. The base for this appropriation is
239.29 \$844,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter
239.30 is \$0.

239.31 Subd. 4. **Department of Commerce.** \$63,000 in fiscal year 2024 and \$230,000 in fiscal
239.32 year 2025 are appropriated from the general fund to the commissioner of commerce for the

240.1 purposes of this act. The base for this appropriation is \$452,000 in fiscal year 2026 and
240.2 \$626,000 in fiscal year 2027.

240.3 Subd. 5. **Department of Corrections.** An appropriation to the commissioner of
240.4 corrections for correctional institutions is reduced by \$177,000 in fiscal year 2024 and
240.5 \$345,000 in fiscal year 2025. The base for this appropriation is reduced by \$407,000 in
240.6 fiscal year 2026 and \$458,000 in fiscal year 2027.

240.7 Subd. 6. **Department of Education.** \$36,000 in fiscal year 2024 and \$29,000 in fiscal
240.8 year 2025 are appropriated from the general fund to the commissioner of education for the
240.9 purposes of this act.

240.10 Subd. 7. **Department of Employment and Economic Development.** (a) \$10,400,000
240.11 in fiscal year 2024 and \$6,700,000 in fiscal year 2025 are appropriated from the general
240.12 fund to the commissioner of employment and economic development for the CanStartup,
240.13 CanNavigate, and CanTrain programs. Any unencumbered balances remaining in the first
240.14 year do not cancel but are available for the second year.

240.15 (b) Of the amount appropriated under paragraph (a), \$4,000,000 in fiscal year 2024 and
240.16 \$2,619,000 in fiscal year 2025 are for the CanStartup program.

240.17 (c) Of the amount appropriated under paragraph (a), \$2,000,000 in fiscal year 2024 and
240.18 \$1,884,000 in fiscal year 2025 are for the CanNavigate program.

240.19 (d) Of the amount appropriated under paragraph (a), \$4,400,000 in fiscal year 2024 and
240.20 \$2,197,000 in fiscal year 2025 are for the CanTrain program.

240.21 (e) Of these amounts, up to four percent may be used for administrative expenses.

240.22 Subd. 8. **Department of Health.** (a) \$6,235,000 in fiscal year 2024 and \$6,231,000 in
240.23 fiscal year 2025 are appropriated from the general fund to the commissioner of health for
240.24 the purposes of this act. The base for this appropriation is \$9,077,000 in fiscal year 2026
240.25 and \$9,132,000 in fiscal year 2027.

240.26 (b) Of the amount appropriated under paragraph (a), \$1,674,000 in fiscal year 2024 and
240.27 \$1,674,000 in fiscal year 2025 are for education for women who are pregnant, breastfeeding,
240.28 or who may become pregnant. Of this amount, \$1,000,000 each year is for media campaign
240.29 contracts. The base for this appropriation is \$3,174,000 in fiscal year 2026 and thereafter.
240.30 Of the amounts appropriated in fiscal year 2026 and thereafter, \$2,500,000 is for media
240.31 campaign contracts.

241.1 (c) Of the amount appropriated under paragraph (a), \$330,000 in fiscal year 2024 and
241.2 \$277,000 in fiscal year 2025 are for data collection and reports. The base for this
241.3 appropriation is \$227,000 in fiscal year 2026 and \$277,000 in fiscal year 2027.

241.4 (d) Of the amount appropriated under paragraph (a), \$719,000 in fiscal year 2024 and
241.5 \$771,000 in fiscal year 2025 are for testing required by this act. The base for this
241.6 appropriation is \$690,000 in fiscal year 2026 and thereafter.

241.7 (e) Of the amount appropriated under paragraph (a), \$2,998,000 in fiscal year 2024 and
241.8 \$2,998,000 in fiscal year 2025 are for education for youth. Of this amount, \$1,000,000 each
241.9 year is for statewide youth awareness campaign contracts. The base for this appropriation
241.10 is \$4,498,000 in fiscal year 2026 and thereafter. Of the amounts in fiscal year 2026 and
241.11 thereafter, \$2,500,000 is for media campaign contracts.

241.12 Subd. 9. **Department of Human Services.** (a) \$1,250,000 in fiscal year 2024 and
241.13 \$1,232,000 in fiscal year 2025 are appropriated from the general fund to the commissioner
241.14 of human services for the purposes of this act. The base for this appropriation is \$1,232,000
241.15 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$411,000.

241.16 (b) Of the amount appropriated under paragraph (a), \$729,000 in fiscal year 2024 and
241.17 \$821,000 in fiscal year 2025 are for the Background Studies Legal Division. The base for
241.18 this appropriation is \$821,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year
241.19 2029 and thereafter is \$0.

241.20 (c) Of the amount appropriated under paragraph (a), \$152,000 in fiscal year 2024 is for
241.21 technology system changes. This is a onetime appropriation.

241.22 (d) Of the amount appropriated under paragraph (a), \$369,000 in fiscal year 2024 and
241.23 \$411,000 in fiscal year 2025 are for costs associated with the Substance Use Disorder
241.24 Advisory Council.

241.25 Subd. 10. **Department of Labor and Industry.** \$121,000 in fiscal year 2024 and
241.26 \$121,000 in fiscal year 2025 are appropriated from the general fund to the commissioner
241.27 of labor and industry to identify occupational competency standards and provide technical
241.28 assistance for developing dual-training programs under Minnesota Statutes, section 175.45,
241.29 for the legal cannabis industry.

241.30 Subd. 11. **Department of Natural Resources.** \$299,000 in fiscal year 2024 is
241.31 appropriated from the general fund to the commissioner of natural resources for the purposes
241.32 of this act. This is a onetime appropriation.

242.1 Subd. 12. **Office of Higher Education.** \$1,000,000 in fiscal year 2024 and \$1,000,000
242.2 in fiscal year 2025 are appropriated from the general fund to the commissioner of higher
242.3 education for transfer to the dual training account in the special revenue fund under Minnesota
242.4 Statutes, section 136A.246, subdivision 10, for grants to employers in the legal cannabis
242.5 industry. The commissioner shall give priority to applications from employers who are, or
242.6 who are training employees who are, eligible to be social equity applicants under Minnesota
242.7 Statutes, section 342.70.

242.8 Subd. 13. **Pollution Control Agency.** (a) \$518,000 in fiscal year 2024 and \$495,000 in
242.9 fiscal year 2025 are appropriated from the general fund to the commissioner of the Pollution
242.10 Control Agency for the purposes of this act. The base for this appropriation is \$64,000 in
242.11 fiscal year 2026 and \$0 in fiscal year 2027 and thereafter.

242.12 (b) Of the amount appropriated under paragraph (a), \$390,000 in fiscal year 2024 and
242.13 \$431,000 in fiscal year 2025 are for rulemaking. The base for this appropriation is \$0 in
242.14 fiscal year 2026 and thereafter.

242.15 (c) Of the amount appropriated under paragraph (a), \$64,000 in fiscal year 2024 is for
242.16 wastewater staff. This is a onetime appropriation.

242.17 (d) Of the amount appropriated under paragraph (a), \$64,000 in fiscal year 2024 and
242.18 \$64,000 in fiscal year 2025 are for small business assistance staff. The base for this
242.19 appropriation is \$64,000 in fiscal year 2026 and \$0 in fiscal year 2027 and thereafter.

242.20 Subd. 14. **Department of Public Safety; Bureau of Criminal Apprehension.** (a)
242.21 \$3,013,000 in fiscal year 2024 and \$2,487,000 in fiscal year 2025 are appropriated from
242.22 the general fund to the commissioner of public safety for use by the Bureau of Criminal
242.23 Apprehension. The base for this appropriation is \$2,487,000 in fiscal years 2026, 2027, and
242.24 2028. The base in fiscal year 2029 and thereafter is \$1,495,000.

242.25 (b) Of the amount appropriated under paragraph (a), \$992,000 in fiscal year 2024 and
242.26 \$992,000 in fiscal year 2025 are for expenses related to identifying and providing records
242.27 of convictions for certain offenses involving the possession of cannabis that may be eligible
242.28 for expungement and resentencing. The base for this appropriation is \$992,000 in fiscal
242.29 years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is \$0.

242.30 (c) Of the amount appropriated under paragraph (a), \$1,766,000 in fiscal year 2024 and
242.31 \$1,240,000 in fiscal year 2025 are for forensic science services including additional staff,
242.32 equipment, and supplies.

243.1 (d) Of the amount appropriated under paragraph (a), \$255,000 in fiscal year 2024 and
243.2 \$255,000 in fiscal year 2025 are for investigation of diversion crimes.

243.3 Subd. 15. **Department of Public Safety; State Patrol.** \$3,621,000 in fiscal year 2024
243.4 and \$1,443,000 in fiscal year 2025 are appropriated from the trunk highway fund to the
243.5 commissioner of public safety for use by the Minnesota State Patrol for the purposes of this
243.6 act, including identifying and investigating incidents and offenses that involve driving under
243.7 the influence.

243.8 Subd. 16. **Department of Revenue.** \$3,085,000 in fiscal year 2024 and \$3,070,500 in
243.9 fiscal year 2025 are appropriated from the general fund to the commissioner of revenue for
243.10 the purposes of this act. The base for this appropriation is \$3,006,750 in fiscal year 2026
243.11 and \$3,006,750 in fiscal year 2027.

243.12 Subd. 17. **Department of Public Safety; State Patrol.** \$500,000 in fiscal year 2024
243.13 and \$500,000 in fiscal year 2025 are appropriated from the general fund to the Minnesota
243.14 State Patrol for its drug evaluation and classification program for drug recognition evaluator
243.15 training, additional phlebotomists, and drug recognition training for peace officers, as defined
243.16 in Minnesota Statutes, section 626.84, subdivision 1, paragraph (c).

243.17 Subd. 18. **Supreme court.** \$545,000 in fiscal year 2024 and \$545,000 in fiscal year
243.18 2025 are appropriated from the general fund to the supreme court for reviewing records and
243.19 issuing orders related to the expungement or resentencing of certain cannabis offenses. The
243.20 base for this appropriation is \$0 in fiscal year 2026 and thereafter.

243.21 Subd. 19. **Substance use disorder treatment and prevention grant account.** Money
243.22 for substance use disorder treatment and prevention is transferred from the general fund to
243.23 the substance use disorder treatment and prevention grant account established under
243.24 Minnesota Statutes, section 342.72. The transfer is \$4,000,000 in fiscal years 2024 and
243.25 2025. The base for this transfer is \$12,000,000 in fiscal year 2026 and \$16,000,000 in fiscal
243.26 year 2027.

151.72 SALE OF CERTAIN CANNABINOID PRODUCTS.

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

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

(c) "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.

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

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

(f) "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.

(g) "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.

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

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

(b) 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.

(c) 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.

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

Subd. 4. **Testing requirements.** (a) A manufacturer of a product regulated under this section must submit representative samples of the product to an independent, accredited laboratory in order to certify that the product complies with the standards adopted by the board. 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;

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

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

(b) Upon the request of the board, the manufacturer of the product must provide the board with the results of the testing required in this section.

(c) 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; and

(3) 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) 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;

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

(6) 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 and which contains no more than a trace amount of any tetrahydrocannabinol.

(d) If an edible cannabinoid product 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.

(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, or more than a total of 50 milligrams of any tetrahydrocannabinol per package.

Subd. 6. **Enforcement.** (a) A product regulated under this section, including an edible cannabinoid product, shall be considered an adulterated drug 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 misbranded drug if the product's labeling is false or misleading in any manner or in violation of the requirements of this section.

(c) The board's authority to issue cease and desist orders under section 151.06; to embargo adulterated and misbranded drugs under section 151.38; and to seek injunctive relief under section 214.11, extends to any violation of this section.

152.027 OTHER CONTROLLED SUBSTANCE OFFENSES.

Subd. 3. **Possession of marijuana in a motor vehicle.** A person is guilty of a misdemeanor if the person is the owner of a private motor vehicle, or is the driver of the motor vehicle if the owner is not present, and possesses on the person, or knowingly keeps or allows to be kept within the area of the vehicle normally occupied by the driver or passengers, more than 1.4 grams of marijuana. This area of the vehicle does not include the trunk of the motor vehicle if the vehicle is equipped with a trunk, or another area of the vehicle not normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment is deemed to be within the area occupied by the driver and passengers.

Subd. 4. **Possession or sale of small amounts of marijuana.** (a) A person who unlawfully sells a small amount of marijuana for no remuneration, or who unlawfully possesses a small amount of marijuana is guilty of a petty misdemeanor and shall be required to participate in a drug education program unless the court enters a written finding that a drug education program is inappropriate. The program must be approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority.

(b) A person convicted of an unlawful sale under paragraph (a) who is subsequently convicted of an unlawful sale under paragraph (a) within two years is guilty of a misdemeanor and shall be

required to participate in a chemical dependency evaluation and treatment if so indicated by the evaluation.

(c) A person who is convicted of a petty misdemeanor under paragraph (a) who willfully and intentionally fails to comply with the sentence imposed, is guilty of a misdemeanor. Compliance with the terms of the sentence imposed before conviction under this paragraph is an absolute defense.

152.21 THC THERAPEUTIC RESEARCH ACT.

Subdivision 1. **Findings and purpose.** The legislature finds that scientific literature indicates promise for delta-9-tetrahydro-cannabinol (THC), the active component of marijuana, in alleviating certain side effects of cancer chemotherapy under strictly controlled medical circumstances.

The legislature also finds that further research and strictly controlled experimentation regarding the therapeutic use of THC is necessary and desirable. The intent of this section is to establish an extensive research program to investigate and report on the therapeutic effects of THC under strictly controlled circumstances in compliance with all federal laws and regulations promulgated by the federal Food and Drug Administration, the National Institute on Drug Abuse and the Drug Enforcement Administration. The intent of the legislature is to allow this research program the greatest possible access to qualified cancer patients residing in Minnesota who meet protocol requirements. The establishment of this research program is not intended in any manner whatsoever to condone or promote the illicit recreational use of marijuana.

Subd. 2. **Definitions.** For purposes of this section, the following terms shall have the meanings given.

(a) "Commissioner" means the commissioner of health.

(b) "Marijuana" means marijuana as defined in section 152.01, subdivision 9, and delta-9-tetrahydro-cannabinol (THC), tetrahydrocannabinols or a chemical derivative of tetrahydrocannabinols, and all species of the genus Cannabis.

(c) "Principal investigator" means the individual responsible for the medical and scientific aspects of the research, development of protocol, and contacting and qualifying the clinical investigators in the state.

(d) "Clinical investigators" means those individuals who conduct the clinical trials.

(e) "Sponsor" means that individual or organization who, acting on behalf of the state, has the total responsibility for the state program.

Subd. 3. **Research grant.** The commissioner of health shall grant funds to the principal investigator selected by the commissioner pursuant to subdivision 4 for the purpose of conducting a research program under a protocol approved by the FDA regarding the therapeutic use of oral THC and other dosage forms, if available, according to the guidelines and requirements of the federal Food and Drug Administration, the Drug Enforcement Administration and the National Institute on Drug Abuse. The commissioner shall ensure that the research principal investigator complies with the requirements of subdivision 5. The commissioner may designate the principal investigator as the sponsor.

Subd. 4. **Principal investigator.** Within three months of April 25, 1980, the commissioner shall, in consultation with a representative chosen by the state Board of Pharmacy and a representative chosen by the state Board of Medical Examiners, select a person or research organization to be the principal investigator of the research program.

Subd. 5. **Duties.** The principal investigator shall:

(1) apply to the Food and Drug Administration for a notice of "Claimed Investigational Exemption for a New Drug (IND)" pursuant to the Federal Food, Drug and Cosmetic Act, United States Code, title 21, section 301, et seq., and shall comply with all applicable laws and regulations of the federal Food and Drug Administration, the Drug Enforcement Administration, and the National Institute on Drug Abuse in establishing the program;

(2) notify every oncologist in the state of the program, explain the purposes and requirements of the program to them, provide on request each of them with a copy of the approved protocol which shall include summaries of current papers in medical journals reporting on research concerning the safety, efficacy and appropriate use of THC in alleviating the nausea and emetic effects of cancer chemotherapy, and provide on request each of them with a bibliography of other articles published in medical journals;

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(3) allow each oncologist (clinical investigator) in the state who meets or agrees to meet all applicable federal requirements for investigational new drug research and who so requests to be included in the research program as a clinical investigator to conduct the clinical trials;

(4) provide explanatory information and assistance to each clinical investigator in understanding the nature of therapeutic use of THC within program requirements, including the informed consent document contained in the protocol, informing and counseling patients involved in the program regarding the appropriate use and the effects of therapeutic use of THC;

(5) apply to contract with the National Institute on Drug Abuse for receipt of dosage forms of THC, fully characterized as to contents and delivery to the human system, pursuant to regulations promulgated by the National Institute on Drug Abuse, and the federal Food and Drug Administration. The principal investigator shall ensure delivery of the THC dosages to clinical investigators as needed for participation in the program;

(6) conduct the research program in compliance with federal laws and regulations promulgated by the federal Food and Drug Administration, the Drug Enforcement Administration, the National Institute on Drug Abuse, and the purposes and provisions of this section;

(7) submit periodic reports as determined by the commissioner on the numbers of oncologists and patients involved in the program and the results of the program;

(8) submit reports on intermediate or final research results, as appropriate, to the major scientific journals in the United States; and

(9) otherwise comply with the provisions of this section.

Subd. 6. **Exemption from criminal sanctions.** For the purposes of this section, the following are not violations under this chapter:

(1) use or possession of THC, or both, by a patient in the research program;

(2) possession, prescribing use of, administering, or dispensing THC, or any combination of these actions, by the principal investigator or by any clinical investigator; and

(3) possession or distribution of THC, or both, by a pharmacy registered to handle Schedule I substances which stores THC on behalf of the principal investigator or a clinical investigator.

THC obtained and distributed pursuant to this section is not subject to forfeiture under sections 609.531 to 609.5316.

For the purposes of this section, THC is removed from Schedule I contained in section 152.02, subdivision 2, and inserted in Schedule II contained in section 152.02, subdivision 3.

Subd. 7. **Citation.** This section may be cited as the "THC Therapeutic Research Act."

152.22 DEFINITIONS.

Subdivision 1. **Applicability.** For purposes of sections 152.22 to 152.37, the terms defined in this section have the meanings given them.

Subd. 2. **Commissioner.** "Commissioner" means the commissioner of health.

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.

Subd. 4. **Health care practitioner.** "Health care practitioner" means a Minnesota licensed doctor of medicine, a Minnesota licensed physician assistant, or a Minnesota licensed advanced practice registered nurse who has the primary responsibility for the care and treatment of the qualifying medical condition of a person diagnosed with a qualifying medical condition.

Subd. 5. **Health records.** "Health records" means health records as defined in section 144.291, subdivision 2, paragraph (c).

Subd. 5a. **Hemp.** "Hemp" has the meaning given to industrial hemp in section 18K.02, subdivision 3.

Subd. 5b. **Hemp grower.** "Hemp grower" means a person licensed by the commissioner of agriculture under chapter 18K to grow hemp for commercial purposes.

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Subd. 6. **Medical cannabis.** (a) "Medical cannabis" means any species of the genus cannabis plant, or any mixture or preparation of them, including whole plant extracts and resins, and is delivered in the form of:

- (1) liquid, including, but not limited to, oil;
- (2) pill;
- (3) vaporized delivery method with use of liquid or oil;
- (4) combustion with use of dried raw cannabis; or
- (5) any other method approved by the commissioner.

(b) This definition includes any part of the genus cannabis plant prior to being processed into a form allowed under paragraph (a), that is possessed by a person while that person is engaged in employment duties necessary to carry out a requirement under sections 152.22 to 152.37 for a registered manufacturer or a laboratory under contract with a registered manufacturer. This definition also includes any hemp acquired by a manufacturer by a hemp grower as permitted under section 152.29, subdivision 1, paragraph (b).

Subd. 7. **Medical cannabis manufacturer.** "Medical cannabis manufacturer" or "manufacturer" means an entity registered by the commissioner to cultivate, acquire, manufacture, possess, prepare, transfer, transport, supply, or dispense medical cannabis, delivery devices, or related supplies and educational materials.

Subd. 8. **Medical cannabis product.** "Medical cannabis product" means any delivery device or related supplies and educational materials used in the administration of medical cannabis for a patient with a qualifying medical condition enrolled in the registry program.

Subd. 9. **Patient.** "Patient" means a Minnesota resident who has been diagnosed with a qualifying medical condition by a health care practitioner and who has otherwise met any other requirements for patients under sections 152.22 to 152.37 to participate in the registry program under sections 152.22 to 152.37.

Subd. 10. **Patient registry number.** "Patient registry number" means a unique identification number assigned by the commissioner to a patient enrolled in the registry program.

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) has been approved by the commissioner to assist a patient who requires assistance in administering medical cannabis or obtaining medical cannabis from a distribution facility; and
- (4) is authorized by the commissioner to assist the patient with the use of medical cannabis.

Subd. 12. **Registry program.** "Registry program" means the patient registry established in sections 152.22 to 152.37.

Subd. 13. **Registry verification.** "Registry verification" means the verification provided by the commissioner that a patient is enrolled in the registry program and that includes the patient's name, registry number, and, if applicable, the name of the patient's registered designated caregiver or parent, legal guardian, or spouse.

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

- (1) 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;
- (2) glaucoma;
- (3) human immunodeficiency virus or acquired immune deficiency syndrome;

- (4) Tourette's syndrome;
- (5) amyotrophic lateral sclerosis;
- (6) seizures, including those characteristic of epilepsy;
- (7) severe and persistent muscle spasms, including those characteristic of multiple sclerosis;
- (8) inflammatory bowel disease, including Crohn's disease;
- (9) 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) any other medical condition or its treatment approved by the commissioner.

152.23 LIMITATIONS.

(a) Nothing in sections 152.22 to 152.37 permits any person to engage in and does not prevent the imposition of any civil, criminal, or other penalties for:

- (1) undertaking any task under the influence of medical cannabis that would constitute negligence or professional malpractice;
- (2) possessing or engaging in the use of medical cannabis:
 - (i) on a school bus or van;
 - (ii) on the grounds of any preschool or primary or secondary school;
 - (iii) in any correctional facility; or
 - (iv) on the grounds of any child care facility or home day care;
- (3) vaporizing or combusting medical cannabis pursuant to section 152.22, subdivision 6:
 - (i) on any form of public transportation;
 - (ii) where the vapor would be inhaled by a nonpatient minor child or where the smoke would be inhaled by a minor child; 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 under section 144.413, subdivision 1b; and
- (4) operating, navigating, or being in actual physical control of any motor vehicle, aircraft, train, or motorboat, or working on transportation property, equipment, or facilities while under the influence of medical cannabis.

(b) Nothing in sections 152.22 to 152.37 require the medical assistance and MinnesotaCare programs to reimburse an enrollee or a provider for costs associated with the medical use of cannabis. Medical assistance and MinnesotaCare shall continue to provide coverage for all services related to treatment of an enrollee's qualifying medical condition if the service is covered under chapter 256B or 256L.

152.24 FEDERALLY APPROVED CLINICAL TRIALS.

The commissioner may prohibit enrollment of a patient in the registry program if the patient is simultaneously enrolled in a federally approved clinical trial for the treatment of a qualifying medical condition with medical cannabis. The commissioner shall provide information to all 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 as an alternative to enrollment in the patient registry program.

152.25 COMMISSIONER DUTIES.

Subdivision 1. **Medical cannabis manufacturer registration.** (a) The commissioner shall register two in-state manufacturers for the production of all medical cannabis within the state. A registration agreement between the commissioner and a manufacturer is nontransferable. The commissioner shall register new manufacturers or reregister the existing manufacturers by December

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1 every two years, using the factors described in this subdivision. The commissioner shall accept applications after December 1, 2014, if one of the manufacturers registered before December 1, 2014, ceases to be registered as a manufacturer. The commissioner's determination that no manufacturer exists to fulfill the duties under sections 152.22 to 152.37 is subject to judicial review in Ramsey County District Court. Data submitted during the application process are private data on individuals or nonpublic data as defined in section 13.02 until the manufacturer is registered under this section. Data on a manufacturer that is registered are public data, unless the data are trade secret or security information under section 13.37.

(b) As a condition for registration, a manufacturer must agree to:

- (1) begin supplying medical cannabis to patients by July 1, 2015; and
- (2) comply with all requirements under sections 152.22 to 152.37.

(c) The commissioner shall consider the following factors when determining which manufacturer to register:

- (1) the technical expertise of the manufacturer in cultivating medical cannabis and converting the medical cannabis into an acceptable delivery method under section 152.22, subdivision 6;
- (2) the qualifications of the manufacturer's employees;
- (3) the long-term financial stability of the manufacturer;
- (4) the ability to provide appropriate security measures on the premises of the manufacturer;
- (5) whether the manufacturer has demonstrated an ability to meet the medical cannabis production needs required by sections 152.22 to 152.37; and
- (6) the manufacturer's projection and ongoing assessment of fees on patients with a qualifying medical condition.

(d) If an officer, director, or controlling person of the manufacturer pleads or is found guilty of intentionally diverting medical cannabis to a person other than allowed by law under section 152.33, subdivision 1, the commissioner may decide not to renew the registration of the manufacturer, provided the violation occurred while the person was an officer, director, or controlling person of the manufacturer.

(e) The commissioner shall require each medical cannabis manufacturer to contract with an independent laboratory to test medical cannabis produced by the manufacturer. The commissioner shall approve the laboratory chosen by each manufacturer and require that the laboratory report testing results to the manufacturer in a manner determined by the commissioner.

Subd. 1a. Revocation or nonrenewal of a medical cannabis manufacturer registration. If the commissioner intends to revoke or not renew a registration issued under this section, the commissioner must first notify in writing the manufacturer against whom the action is to be taken and provide the manufacturer with an opportunity to request a hearing under the contested case provisions of chapter 14. If the manufacturer does not request a hearing by notifying the commissioner in writing within 20 days after receipt of the notice of proposed action, the commissioner may proceed with the action without a hearing. For revocations, the registration of a manufacturer is considered revoked on the date specified in the commissioner's written notice of revocation.

Subd. 1b. Temporary suspension proceedings. The commissioner may institute proceedings to temporarily suspend the registration of a medical cannabis manufacturer for a period of up to 90 days by notifying the manufacturer in writing if any action by an employee, agent, officer, director, or controlling person of the manufacturer:

- (1) violates any of the requirements of sections 152.21 to 152.37 or the rules adopted thereunder;
- (2) permits, aids, or abets the commission of any violation of state law at the manufacturer's location for cultivation, harvesting, manufacturing, packaging, and processing or at any site for distribution of medical cannabis;
- (3) performs any act contrary to the welfare of a registered patient or registered designated caregiver; or
- (4) obtains, or attempts to obtain, a registration by fraudulent means or misrepresentation.

Subd. 1c. **Notice to patients.** Upon the revocation or nonrenewal of a manufacturer's registration under subdivision 1a or implementation of an enforcement action under subdivision 1b that may affect the ability of a registered patient, registered designated caregiver, or a registered patient's parent, legal guardian, or spouse to obtain medical cannabis from the manufacturer subject to the enforcement action, the commissioner shall notify in writing each registered patient and the patient's registered designated caregiver or registered patient's parent, legal guardian, or spouse about the outcome of the proceeding and information regarding alternative registered manufacturers. This notice must be provided two or more business days prior to the effective date of the revocation, nonrenewal, or other enforcement action.

Subd. 2. **Range of compounds and dosages; report.** The commissioner 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 shall make this information available to patients with qualifying medical conditions beginning December 1, 2014, and update the information annually. The commissioner 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 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 website.

Subd. 3. **Deadlines.** The commissioner shall adopt rules necessary for the manufacturer to begin distribution of medical cannabis to patients under the registry program by July 1, 2015, and have notice of proposed rules published in the State Register prior to January 1, 2015.

Subd. 4. **Reports.** (a) The commissioner shall provide regular updates to the task force on medical cannabis therapeutic research and to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services, public safety, judiciary, and civil law regarding: (1) any changes in federal law or regulatory restrictions regarding the use of medical cannabis or hemp; and (2) the market demand and supply in this state for products made from hemp that can be used for medicinal purposes.

(b) The commissioner may submit medical research based on the data collected under sections 152.22 to 152.37 to any federal agency with regulatory or enforcement authority over medical cannabis to demonstrate the effectiveness of medical cannabis for treating a qualifying medical condition.

152.26 RULEMAKING.

(a) The commissioner may adopt rules to implement sections 152.22 to 152.37. Rules for which notice is published in the State Register before January 1, 2015, may be adopted using the process in section 14.389.

(b) The commissioner may adopt or amend rules, using the procedure in section 14.386, paragraph (a), to implement the addition of dried raw cannabis as an allowable form of medical cannabis under section 152.22, subdivision 6, paragraph (a), clause (4). Section 14.386, paragraph (b), does not apply to these rules.

152.261 RULES; ADVERSE INCIDENTS.

(a) The commissioner of health shall adopt rules to establish requirements for reporting incidents when individuals who are not authorized to possess medical cannabis under sections 152.22 to 152.37 are found in possession of medical cannabis. The rules must identify professionals required to report, the information they are required to report, and actions the reporter must take to secure the medical cannabis.

(b) The commissioner of health shall adopt rules to establish requirements for law enforcement officials and health care professionals to report incidents involving an overdose of medical cannabis to the commissioner of health.

(c) Rules must include the method by which the commissioner will collect and tabulate reports of unauthorized possession and overdose.

152.27 PATIENT REGISTRY PROGRAM ESTABLISHED.

Subdivision 1. **Patient registry program; establishment.** (a) The commissioner 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.

Subd. 2. **Commissioner duties.** (a) The commissioner 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 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 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 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 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 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 from the public and any guidance received from the task force on medical cannabis research, by January 15 of the year in which the commissioner wishes to make the change. The change shall be effective on August 1 of that year, unless the legislature by law provides otherwise.

Subd. 3. **Patient application.** (a) The commissioner 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;

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(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 under sections 152.22 to 152.37, including, but not limited to, the disclosure form required under paragraph (c).

(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) The commissioner 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, 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.

Subd. 4. Registered designated caregiver. (a) The commissioner 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) 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.

Subd. 5. Parents, legal guardians, and spouses. A parent, legal guardian, or spouse of a patient may act as the caregiver to the patient without having to register as a designated caregiver. The parent, legal guardian, or spouse shall follow all of the requirements of parents, legal guardians, and spouses listed in sections 152.22 to 152.37. Nothing in sections 152.22 to 152.37 limits any legal authority a parent, legal guardian, or spouse may have for the patient under any other law.

Subd. 6. Patient enrollment. (a) After receipt of a patient's application, application fees, and signed disclosure, the commissioner 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 shall approve or deny a patient's application for participation in the registry program within 30 days after the commissioner 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 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;

(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 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 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.

Subd. 7. **Notice requirements.** Patients and registered designated caregivers shall notify the commissioner 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 commissioner of the change.

152.28 HEALTH CARE PRACTITIONER DUTIES.

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 Tennessee 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, 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 conduct a patient assessment to issue a recertification as required under paragraph (b), clause (3), via telehealth, as defined in section 62A.673, subdivision 2.

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

Subd. 2. **Data.** Data collected on patients by a health care practitioner and reported to the patient registry 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.

Subd. 3. **Advertising restrictions.** (a) A health care practitioner shall not publish or cause to be published any advertisement that:

(1) contains false or misleading statements about medical cannabis or about the medical cannabis registry program;

(2) uses colloquial terms to refer to medical cannabis, such as pot, weed, or grass;

(3) states or implies the health care practitioner is endorsed by the Department of Health or by the medical cannabis registry program;

(4) includes images of cannabis in its plant or leaf form or of cannabis-smoking paraphernalia; or

(5) contains medical symbols that could reasonably be confused with symbols of established medical associations or groups.

(b) A health care practitioner found by the commissioner to have violated this subdivision is prohibited from certifying that patients have a qualifying medical condition for purposes of patient participation in the registry program. The commissioner's decision that a health care practitioner has violated this subdivision is a final decision of the commissioner and is not subject to the contested case procedures in chapter 14.

152.29 MANUFACTURER OF MEDICAL CANNABIS DUTIES.

Subdivision 1. **Manufacturer; requirements.** (a) A manufacturer may operate eight distribution facilities, which may include the manufacturer's single location for cultivation, harvesting, manufacturing, packaging, and processing but is not required to include that location. The commissioner shall designate the geographical service areas to be served by each manufacturer based on geographical need throughout the state to improve patient access. A manufacturer shall not have more than two distribution facilities in each geographical service area assigned to the manufacturer by the commissioner. A manufacturer shall operate only one location where all cultivation, harvesting, manufacturing, packaging, and processing of medical cannabis shall be conducted. This location may be one of the manufacturer's distribution facility sites. The additional distribution facilities may dispense medical cannabis and medical cannabis products but may not contain any medical cannabis in a form other than those forms allowed under section 152.22, subdivision 6, and the manufacturer shall not conduct any cultivation, harvesting, manufacturing, packaging, or processing at the other distribution facility sites. Any distribution facility operated by the manufacturer is subject to all of the requirements applying to the manufacturer under sections 152.22 to 152.37, including, but not limited to, security and distribution requirements.

(b) A manufacturer may acquire hemp grown in this state from a hemp grower, and may acquire hemp products produced by a hemp processor. A manufacturer may manufacture or process hemp and hemp products into an allowable form of medical cannabis under section 152.22, subdivision 6. Hemp and hemp products acquired by a manufacturer under this paragraph are subject to the same quality control program, security and testing requirements, and other requirements that apply to medical cannabis under sections 152.22 to 152.37 and Minnesota Rules, chapter 4770.

(c) A medical cannabis manufacturer shall contract with a laboratory approved by the commissioner, subject to any additional requirements set by the commissioner, for purposes of testing medical cannabis manufactured or hemp or hemp products acquired by the medical cannabis manufacturer as to content, contamination, and consistency to verify the medical cannabis meets the requirements of section 152.22, subdivision 6. The cost of laboratory testing shall be paid by the manufacturer.

(d) The operating documents of a manufacturer must include:

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(1) procedures for the oversight of the manufacturer and procedures to ensure accurate record keeping;

(2) procedures for the implementation of appropriate security measures to deter and prevent the theft of medical cannabis and unauthorized entrance into areas containing medical cannabis; and

(3) procedures for the delivery and transportation of hemp between hemp growers and manufacturers and for the delivery and transportation of hemp products between hemp processors and manufacturers.

(e) A manufacturer shall implement security requirements, including requirements for the delivery and transportation of hemp and hemp products, protection of each location by a fully operational security alarm system, facility access controls, perimeter intrusion detection systems, and a personnel identification system.

(f) A manufacturer shall not share office space with, refer patients to a health care practitioner, or have any financial relationship with a health care practitioner.

(g) A manufacturer shall not permit any person to consume medical cannabis on the property of the manufacturer.

(h) A manufacturer is subject to reasonable inspection by the commissioner.

(i) For purposes of sections 152.22 to 152.37, a medical cannabis manufacturer is not subject to the Board of Pharmacy licensure or regulatory requirements under chapter 151.

(j) A medical cannabis manufacturer may not employ any person who is under 21 years of age or who has been convicted of a disqualifying felony offense. An employee of a medical cannabis manufacturer must submit a completed criminal history records check consent form, a full set of classifiable fingerprints, and the required fees for submission to the Bureau of Criminal Apprehension before an employee may begin working with the manufacturer. The bureau must conduct a Minnesota criminal history records check and the superintendent is authorized to exchange the fingerprints with the Federal Bureau of Investigation to obtain the applicant's national criminal history record information. The bureau shall return the results of the Minnesota and federal criminal history records checks to the commissioner.

(k) A manufacturer may not operate in any location, whether for distribution or cultivation, harvesting, manufacturing, packaging, or processing, within 1,000 feet of a public or private school existing before the date of the manufacturer's registration with the commissioner.

(l) A manufacturer shall comply with reasonable restrictions set by the commissioner relating to signage, marketing, display, and advertising of medical cannabis.

(m) Before a manufacturer acquires hemp from a hemp grower or hemp products from a hemp processor, the manufacturer must verify that the hemp grower or hemp processor has a valid license issued by the commissioner of agriculture under chapter 18K.

(n) Until a state-centralized, seed-to-sale system is implemented that can track a specific medical cannabis plant from cultivation through testing and point of sale, the commissioner shall conduct at least one unannounced inspection per year of each manufacturer that includes inspection of:

(1) business operations;

(2) physical locations of the manufacturer's manufacturing facility and distribution facilities;

(3) financial information and inventory documentation, including laboratory testing results; and

(4) physical and electronic security alarm systems.

Subd. 2. Manufacturer; production. (a) A manufacturer of medical cannabis shall provide a reliable and ongoing supply of all medical cannabis needed for the registry program through cultivation by the manufacturer and through the purchase of hemp from hemp growers.

(b) All cultivation, harvesting, manufacturing, packaging, and processing of medical cannabis must take place in an enclosed, locked facility at a physical address provided to the commissioner during the registration process.

(c) A manufacturer must process and prepare any medical cannabis plant material or hemp plant material into a form allowable under section 152.22, subdivision 6, prior to distribution of any medical cannabis.

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 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. 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;

(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.

Subd. 3a. **Transportation of medical cannabis; staffing.** (a) A medical cannabis manufacturer may staff a transport motor vehicle with only one employee if the medical cannabis manufacturer is transporting medical cannabis to either a certified laboratory for the purpose of testing or a facility for the purpose of disposal. If the medical cannabis manufacturer is transporting medical cannabis for any other purpose or destination, the transport motor vehicle must be staffed with a minimum of two employees as required by rules adopted by the commissioner.

(b) Notwithstanding paragraph (a), a medical cannabis manufacturer that is only transporting hemp for any purpose may staff the transport motor vehicle with only one employee.

Subd. 4. **Report.** Each manufacturer shall report to the commissioner on a monthly basis the following information on each individual patient for the month prior to the report:

- (1) the amount and dosages of medical cannabis distributed;
- (2) the chemical composition of the medical cannabis; and
- (3) the tracking number assigned to any medical cannabis distributed.

152.30 PATIENT DUTIES.

(a) A patient shall apply to the commissioner 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 but is not required to receive medical cannabis products from only a registered manufacturer.

152.31 DATA PRACTICES.

(a) Government data in patient files maintained by the commissioner and the health care practitioner, and data submitted to or by a medical cannabis manufacturer, are private data on individuals, as defined in section 13.02, subdivision 12, or nonpublic data, as defined in section 13.02, subdivision 9, but may be used for purposes of complying with chapter 13 and complying with a request from the legislative auditor or the state auditor in the performance of official duties. The provisions of section 13.05, subdivision 11, apply to a registration agreement entered between the commissioner and a medical cannabis manufacturer under section 152.25.

(b) Not public data maintained by the commissioner may not be used for any purpose not provided for in sections 152.22 to 152.37, and may not be combined or linked in any manner with any other list, dataset, or database.

(c) The commissioner may execute data sharing arrangements with the commissioner of agriculture to verify licensing, inspection, and compliance information related to hemp growers and hemp processors under chapter 18K.

152.32 PROTECTIONS FOR REGISTRY PROGRAM PARTICIPATION.

Subdivision 1. **Presumption.** (a) There is a presumption that a patient enrolled in the registry program under sections 152.22 to 152.37 is engaged in the authorized use of medical cannabis.

(b) The presumption may be rebutted by evidence that conduct related to use of medical cannabis was not for the purpose of treating or alleviating the patient's qualifying medical condition or symptoms associated with the patient's qualifying medical condition.

Subd. 2. **Criminal and civil protections.** (a) Subject to section 152.23, the following are not violations under this chapter:

- (1) use or possession of medical cannabis or medical cannabis products by a patient enrolled in the registry program, or possession by a registered designated caregiver or the parent, legal guardian, or spouse of a patient if the parent, legal guardian, or spouse is listed on the registry verification;
- (2) possession, dosage determination, or sale of medical cannabis or medical cannabis products by a medical cannabis manufacturer, employees of a manufacturer, a laboratory conducting testing on medical cannabis, or employees of the laboratory; and
- (3) possession of medical cannabis or medical cannabis products by any person while carrying out the duties required under sections 152.22 to 152.37.

(b) Medical cannabis obtained and distributed pursuant to sections 152.22 to 152.37 and associated property is not subject to forfeiture under sections 609.531 to 609.5316.

(c) The commissioner, the commissioner's staff, the commissioner's agents or contractors, and any health care practitioner are not subject to any civil or disciplinary penalties by the Board of

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Medical Practice, the Board of Nursing, or by any business, occupational, or professional licensing board or entity, solely for the participation in the registry program under sections 152.22 to 152.37. A pharmacist licensed under chapter 151 is not subject to any civil or disciplinary penalties by the Board of Pharmacy when acting in accordance with the provisions of sections 152.22 to 152.37. Nothing in this section affects a professional licensing board from taking action in response to violations of any other section of law.

(d) Notwithstanding any law to the contrary, the commissioner, the governor of Minnesota, 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.

(e) Federal, state, and local law enforcement authorities are prohibited from accessing the patient registry under sections 152.22 to 152.37 except when acting pursuant to a valid search warrant.

(f) Notwithstanding any law to the contrary, neither the commissioner nor a public employee may release data or information about an individual contained in any report, document, or registry created under sections 152.22 to 152.37 or any information obtained about a patient participating in the program, except as provided in sections 152.22 to 152.37.

(g) No information contained in a report, document, or registry or obtained from a patient under sections 152.22 to 152.37 may be admitted as evidence in a criminal proceeding unless independently obtained or in connection with a proceeding involving a violation of sections 152.22 to 152.37.

(h) Notwithstanding section 13.09, any person who violates paragraph (e) or (f) is guilty of a gross misdemeanor.

(i) An attorney may not be subject to disciplinary action by the Minnesota Supreme Court or professional responsibility board for providing legal assistance to prospective or registered manufacturers or others related to activity that is no longer subject to criminal penalties under state law pursuant to sections 152.22 to 152.37.

(j) Possession of a registry verification or application for enrollment in the program by a person entitled to possess or apply for enrollment in the registry program does not constitute probable cause or reasonable suspicion, nor shall it be used to support a search of the person or property of the person possessing or applying for the registry verification, or otherwise subject the person or property of the person to inspection by any governmental agency.

Subd. 3. Discrimination prohibited. (a) No school or landlord may refuse to enroll or lease to and may not otherwise penalize a person solely for the person's status as a patient enrolled in the registry program under sections 152.22 to 152.37, unless failing to do so would violate federal law or regulations or cause the school or landlord to lose a monetary or licensing-related benefit under federal law or regulations.

(b) For the purposes of medical care, including organ transplants, a registry program enrollee's use of medical cannabis under sections 152.22 to 152.37 is considered the equivalent of the authorized use of any other medication used at the discretion of a physician, advanced practice registered nurse, or physician assistant and does not constitute the use of an illicit substance or otherwise disqualify a patient from needed medical care.

(c) Unless a failure to do so would violate federal law or regulations or cause an employer to lose a monetary or licensing-related benefit under federal law or regulations, an employer may not discriminate against a person in hiring, termination, or any term or condition of employment, or otherwise penalize a person, if the discrimination is based upon either of the following:

(1) the person's status as a patient enrolled in the registry program under sections 152.22 to 152.37; or

(2) a patient's positive drug test for cannabis components or metabolites, unless the patient used, possessed, or was impaired by medical cannabis on the premises of the place of employment or during the hours of employment.

(d) An employee who is required to undergo employer drug testing pursuant to section 181.953 may present verification of enrollment in the patient registry as part of the employee's explanation under section 181.953, subdivision 6.

(e) A person shall not be denied custody of a minor child or visitation rights or parenting time with a minor child solely based on the person's status as a patient enrolled in the registry program under sections 152.22 to 152.37. There shall be no presumption of neglect or child endangerment

for conduct allowed under sections 152.22 to 152.37, unless the person's behavior is such that it creates an unreasonable danger to the safety of the minor as established by clear and convincing evidence.

152.33 VIOLATIONS.

Subdivision 1. **Intentional diversion; criminal penalty.** In addition to any other applicable penalty in law, a manufacturer or an agent of a manufacturer who intentionally transfers medical cannabis to a person other than another registered manufacturer, a patient, a registered designated caregiver or, if listed on the registry verification, a parent, legal guardian, or spouse of a patient is guilty of a felony punishable by imprisonment for not more than two years or by payment of a fine of not more than \$3,000, or both. A person convicted under this subdivision may not continue to be affiliated with the manufacturer and is disqualified from further participation under sections 152.22 to 152.37.

Subd. 1a. **Intentional diversion outside the state; penalties.** (a) In addition to any other applicable penalty in law, the commissioner may levy a fine of \$250,000 against a manufacturer and may immediately initiate proceedings to revoke the manufacturer's registration, using the procedure in section 152.25, if:

(1) an officer, director, or controlling person of the manufacturer pleads or is found guilty under subdivision 1 of intentionally transferring medical cannabis, while the person was an officer, director, or controlling person of the manufacturer, to a person other than allowed by law; and

(2) in intentionally transferring medical cannabis to a person other than allowed by law, the officer, director, or controlling person transported or directed the transport of medical cannabis outside of Minnesota.

(b) All fines collected under this subdivision shall be deposited in the state government special revenue fund.

Subd. 2. **Diversion by patient, registered designated caregiver, parent, legal guardian, or patient's spouse; criminal penalty.** In addition to any other applicable penalty in law, a patient, registered designated caregiver or, if listed on the registry verification, a parent, legal guardian, or spouse of a patient who intentionally sells or otherwise transfers medical cannabis to a person other than a patient, designated registered caregiver or, if listed on the registry verification, a parent, legal guardian, or spouse of a patient is guilty of a felony punishable by imprisonment for not more than two years or by payment of a fine of not more than \$3,000, or both.

Subd. 3. **False statement; criminal penalty.** A person who intentionally makes a false statement to a law enforcement official about any fact or circumstance relating to the medical use of cannabis to avoid arrest or prosecution is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or by payment of a fine of not more than \$1,000, or both. The penalty is in addition to any other penalties that may apply for making a false statement or for the possession, cultivation, or sale of cannabis not protected by sections 152.22 to 152.37. If a person convicted of violating this subdivision is a patient or a registered designated caregiver, the person is disqualified from further participation under sections 152.22 to 152.37.

Subd. 4. **Submission of false records; criminal penalty.** A person who knowingly submits false records or documentation required by the commissioner to register as a manufacturer of medical cannabis under sections 152.22 to 152.37 is guilty of a felony and may be sentenced to imprisonment for not more than two years or by payment of a fine of not more than \$3,000, or both.

Subd. 5. **Violation by health care practitioner; criminal penalty.** A health care practitioner who knowingly refers patients to a manufacturer or to a designated caregiver, who advertises as a manufacturer, or who issues certifications while holding a financial interest in a manufacturer is guilty of a misdemeanor and may be sentenced to imprisonment for not more than 90 days or by payment of a fine of not more than \$1,000, or both.

Subd. 6. **Other violations; civil penalty.** A manufacturer shall be fined up to \$1,000 for any violation of sections 152.22 to 152.37, or the regulations issued pursuant to them, where no penalty has been specified. This penalty is in addition to any other applicable penalties in law.

152.34 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, facilities owned, controlled, managed, or under common control with hospitals licensed under chapter 144, and other health facilities licensed by the commissioner of health, may

adopt reasonable restrictions on the use of medical cannabis 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 will not store or maintain the patient's supply of medical cannabis, that the facility is not responsible for providing the medical cannabis for patients, and that medical cannabis be used only in a place specified by the facility.

(b) Any employee or agent of a facility listed in this section or a person licensed under chapter 144E is not subject to violations under this chapter for possession of medical cannabis while carrying out employment duties, including providing or supervising care to a registered patient, or distribution of medical cannabis to a registered patient who resides at or is actively receiving treatment or care at the facility with which the employee or agent is affiliated. Nothing in this section shall require the facilities to adopt such restrictions and no facility shall unreasonably limit a patient's access to or use of medical cannabis to the extent that use is authorized by the patient under sections 152.22 to 152.37.

152.35 FEES; DEPOSIT OF REVENUE.

(a) The commissioner shall collect an enrollment fee of \$200 from patients enrolled under this section. If the patient provides evidence of receiving Social Security disability insurance (SSDI), Supplemental Security Income (SSI), veterans disability, or railroad disability payments, or being enrolled in medical assistance or MinnesotaCare, then the fee shall be \$50. For purposes of this section:

(1) a patient is considered to receive SSDI if the patient was receiving SSDI at the time the patient was transitioned to retirement benefits by the United States Social Security Administration; and

(2) veterans disability payments include VA dependency and indemnity compensation.

Unless a patient provides evidence of receiving payments from or participating in one of the programs specifically listed in this paragraph, the commissioner of health must collect the \$200 enrollment fee from a patient to enroll the patient in the registry program. The fees shall be payable annually and are due on the anniversary date of the patient's enrollment. The fee amount shall be deposited in the state treasury and credited to the state government special revenue fund.

(b) The commissioner shall collect an application fee of \$20,000 from each entity submitting an application for registration as a medical cannabis manufacturer. Revenue from the fee shall be deposited in the state treasury and credited to the state government special revenue fund.

(c) The commissioner shall establish and collect an annual fee from a medical cannabis manufacturer equal to the cost of regulating and inspecting the manufacturer in that year. Revenue from the fee amount shall be deposited in the state treasury and credited to the state government special revenue fund.

(d) A medical cannabis manufacturer may charge patients enrolled in the registry program a reasonable fee for costs associated with the operations of the manufacturer. The manufacturer may establish a sliding scale of patient fees based upon a patient's household income and may accept private donations to reduce patient fees.

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;

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(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 cochair 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 cochair 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 cochair 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.

152.37 FINANCIAL EXAMINATIONS; PRICING REVIEWS.

Subdivision 1. **Financial records.** A medical cannabis manufacturer shall maintain detailed financial records in a manner and format approved by the commissioner, and shall keep all records updated and accessible to the commissioner when requested.

Subd. 2. **Certified annual audit.** A medical cannabis manufacturer shall submit the results of an annual certified financial audit to the commissioner no later than May 1 of each year for the calendar year beginning January 2015. The annual audit shall be conducted by an independent certified public accountant and the costs of the audit are the responsibility of the medical cannabis manufacturer. Results of the audit shall be provided to the medical cannabis manufacturer and the

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commissioner. The commissioner may also require another audit of the medical cannabis manufacturer by a certified public accountant chosen by the commissioner with the costs of the audit paid by the medical cannabis manufacturer.

Subd. 3. Power to examine. (a) The commissioner or designee may examine the business affairs and conditions of any medical cannabis manufacturer, including but not limited to a review of the financing, budgets, revenues, sales, and pricing.

(b) An examination may cover the medical cannabis manufacturer's business affairs, practices, and conditions including but not limited to a review of the financing, budgets, revenues, sales, and pricing. The commissioner shall determine the nature and scope of each examination and in doing so shall take into account all available relevant factors concerning the financial and business affairs, practices, and conditions of the examinee. The costs incurred by the department in conducting an examination shall be paid for by the medical cannabis manufacturer.

(c) When making an examination under this section, the commissioner may retain attorneys, appraisers, independent economists, independent certified public accountants, or other professionals and specialists as designees. A certified public accountant retained by the commissioner may not be the same certified public accountant providing the certified annual audit in subdivision 2.

(d) The commissioner shall make a report of an examination conducted under this section and provide a copy to the medical cannabis manufacturer. The commissioner shall then post a copy of the report on the department's website. All working papers, recorded information, documents, and copies produced by, obtained by, or disclosed to the commissioner or any other person in the course of an examination, other than the information contained in any commissioner official report, made under this section are private data on individuals or nonpublic data, as defined in section 13.02.

4770.0100 APPLICABILITY AND PURPOSE.

Parts 4770.0200 to 4770.2700 establish the criteria and procedures to be used by the commissioner for the registration and oversight of a medical cannabis manufacturer.

4770.0200 DEFINITIONS.

Subpart 1. **Scope.** The terms used in this chapter have the meanings given them in this part.

Subp. 2. **Acceptable performance or acceptable results.** "Acceptable performance" or "acceptable results" means analytical test results generated by a laboratory using methods as specified in part 4770.2000 that are acceptable and allowed by the approved provider.

Subp. 3. **Approval.** "Approval" means acknowledgment by the commissioner that a laboratory has the policies, personnel, validation procedures, and practices to produce reliable data in the analysis of analytes and contaminants described in part 4770.1900.

Subp. 4. **Approved provider.** "Approved provider" means a provider of performance testing samples that the commissioner has determined:

- A. provides an adequate volume of samples to perform statistically valid analyses;
- B. calculates the number of standard deviations of the mean allowed using the results of all laboratories submitting test results after the exclusion of outlying values; and
- C. allows a range of standard deviations of the mean no less stringent than the range allowed by the general requirements for the competency of reference material producers in ISO Guide 34.

Subp. 5. **Audit.** "Audit" means a financial review by an independent certified public accountant that includes select scope engagement or other methods of review that analyze operational or compliance issues.

Subp. 5a. **Audit sample.** "Audit sample" means a representative sample necessary to complete audit testing of plant material, a dried raw cannabis batch, or a dried raw cannabis finished good collected for audit testing under part 4770.3035.

Subp. 6. **Batch.**

A. "Batch" means a specific quantity of medical cannabis, including a set of plants of the same variety of medical cannabis that have been grown, harvested, and processed together and exposed to substantially similar conditions throughout cultivation and processing, that:

- (1) is uniform and intended to meet specifications for identity, strength, purity, and composition; and
- (2) is produced according to a single batch production record executed and documented during the same cycle of manufacture.

B. A batch of dried raw cannabis may not exceed 80 pounds.

Subp. 7. **Batch number.** "Batch number" means a unique numeric or alphanumeric identifier assigned to a batch by a manufacturing facility when the batch is first planted. The batch number must contain the manufacturing facility number and a sequence to allow for inventory and traceability.

Subp. 7a. **Batch sample.** "Batch sample" means a representative sample taken from a batch of dried raw cannabis prior to laboratory testing.

Subp. 8. **Biosecurity.** "Biosecurity" means a set of preventative measures designed to reduce the risk of transmission of:

- A. infectious diseases in crops;

- B. quarantined pests;
- C. invasive alien species; and
- D. living modified organisms.

Subp. 8a. **CBD.** "CBD" means the compound cannabidiol, CAS number 13956-29-1.

Subp. 8b. **CBDA.** "CBDA" means cannabidiolic acid, CAS number 1244-58-2.

Subp. 9. **Certified financial audit.** "Certified financial audit" means the annual financial audit required under Minnesota Statutes, section 152.37, subdivision 2.

Subp. 9a. **Chemical composition.** "Chemical composition" means the distribution of individual components within a final formulation or finished good. This includes active ingredients, inactive ingredients, and other ingredients. Active ingredients include cannabinoids used to define a finished good in the registered products list. The concentration of each active ingredient may be given either in terms of milligram per milliliter (mg/mL) for liquids and milligram per gram (mg/g) for solids or in terms of mass fraction (weight percentage).

Subp. 10. **Commissioner.** "Commissioner" means the commissioner of the Department of Health or the commissioner's designee.

Subp. 10a. **Crop input.** "Crop input" means a substance other than water that is applied to or used in the cultivation of a cannabis plant for pest control, plant health, or growth management. Crop input includes pesticides, fungicides, plant regulators, fertilizers, and other agricultural chemicals regulated by the Minnesota Department of Agriculture.

Subp. 11. **Disqualifying felony offense.** "Disqualifying felony offense" has the meaning given in Minnesota Statutes, section 152.22, subdivision 3.

Subp. 12. **Distribute or distribution.** "Distribute" or "distribution" means the delivery of medical cannabis to a patient, the patient's parent or legal guardian, or the patient's registered caregiver that is packaged in a suitable container appropriately labeled for subsequent administration to or use by a patient who is participating in the registry program and who is authorized to receive medical cannabis.

Subp. 13. **Distribution facility.** "Distribution facility" means any building or grounds of a medical cannabis manufacturer where the sale and distribution of medical cannabis and medical cannabis products are authorized.

Subp. 14. **Diversion.** "Diversion" means the intentional transfer of medical cannabis to a person other than a patient, the patient's designated registered caregiver, or the patient's parent or legal guardian if the parent or legal guardian is listed on the registry verification.

Subp. 14a. **Dried raw cannabis.** "Dried raw cannabis" means the dried leaves and flowers of the mature cannabis plant. Dried raw cannabis includes pre-rolled cannabis as long as the pre-roll consists of only dried cannabis leaves and flowers, an unflavored rolling paper, and a filter or tip. Dried raw cannabis does not include the cannabis seeds, seedlings, stems, stalks, roots, or any part of the immature cannabis plant.

Subp. 15. **Field of testing.** "Field of testing" means the combination of product type and analyte for which a laboratory has applied or received approval by the commissioner.

Subp. 16. **Financial interest.** "Financial interest" means any actual or future right to ownership, investment, or compensation arrangement in a medical cannabis manufacturer with another person, either directly or indirectly, through business, investment, or spouse, parent, or child relationship. Financial interest does not include ownership of investment securities in a publicly held corporation that is traded on a national exchange or over-the-counter market, provided the investment securities held by the person or the person's spouse, parent, or child, in the aggregate, do not exceed one percent ownership in the medical cannabis manufacturer.

Subp. 16a. **Finished good.** "Finished good" means either an extract formulation that has been packaged and labeled for delivery to a medical cannabis distribution facility for distribution to patients or dried raw cannabis that has been packaged and labeled for delivery to a medical cannabis distribution facility.

Subp. 16b. **Flower.** "Flower" means the flower of the cannabis plant.

Subp. 17. **Health care practitioner.** "Health care practitioner" has the meaning given in Minnesota Statutes, section 152.22, subdivision 4.

Subp. 17a. **Immature plant.** "Immature plant" means a nonflowering cannabis plant that is no taller than eight inches and no wider than eight inches produced from a cutting, clipping, or seedling and is in a cultivation container.

Subp. 18. **Inspection.** "Inspection" means an on-site evaluation of laboratory facilities, records, personnel, equipment, methodology, and quality assurance practices by the commissioner for compliance with this chapter.

Subp. 19. **International Standards Organization or ISO.** The "International Standards Organization" or "ISO" means an independent, nongovernmental membership organization and the largest developer of voluntary international standards.

Subp. 19a. **Labeling.** "Labeling" means all labels and other written, printed, or graphic matter on a packaged finished good or any container or wrapper accompanying the packaged finished good.

Subp. 20. **Laboratory managing agent.** "Laboratory managing agent" means a person, as defined in Minnesota Statutes, section 326.71, subdivision 8, who is legally authorized to direct the activities of the laboratory and commit sufficient resources to comply with parts 4770.1900 to 4770.2400.

Subp. 21. **Laboratory.** "Laboratory" means a fixed-based or mobile structure, a person, corporation, or other entity, including a government or tribal entity, that examines, analyzes, or tests samples.

Subp. 22. **Laboratory owner.** "Laboratory owner" means a person who:

- A. is a sole proprietor of a laboratory;
- B. holds a partnership interest in a laboratory; or
- C. owns five percent or more of the shares in a corporation that owns a laboratory.

Subp. 23. **Laboratory technical manager.** "Laboratory technical manager" means a person who is scientifically responsible to ensure the achievement and maintenance of quality and analytical standards or practice and who is in a supervisory, lead worker, or similarly named position within an organization.

Subp. 24. **Manufacturing or manufacture.** "Manufacturing" or "manufacture" means the planting, cultivation, growing, and harvesting of cannabis and the process of converting harvested cannabis plant material into medical cannabis.

Subp. 25. **Manufacturing facility.** "Manufacturing facility" means any secured building, space, grounds, and physical structure of a medical cannabis manufacturer for the cultivation, harvesting, packaging, and processing of medical cannabis and where access is restricted to designated employees of a medical cannabis manufacturer and escorted visitors.

Subp. 26. **Medical cannabis.** "Medical cannabis" has the meaning given in Minnesota Statutes, section 152.22, subdivision 6.

Subp. 26a. **Medical cannabis brand name.** "Medical cannabis brand name" means the name under which a medical cannabis concentrate, a medical cannabis concentrate formulation, or a dried raw cannabis product is marketed and distributed.

Subp. 26b. **Medical cannabis concentrate.** "Medical cannabis concentrate" means a specific subset of medical cannabis that is produced by extracting cannabinoids from plant material. Categories of medical cannabis concentrate include products created using water-based, solvent-based, heat-based, or pressure-based extraction methods. Medical cannabis concentrate includes medical cannabis concentrate intended for use with a vaporizer delivery device or pressurized dose inhaler.

Subp. 26c. **Medical cannabis concentrate formulation.** "Medical cannabis concentrate formulation" means a liquid, including oil, a pill, or any other formulation type approved by the commissioner under Minnesota Statutes, sections 152.22, subdivision 6, paragraph (a), and 152.27, subdivision 2, paragraph (b), infused with medical cannabis and other ingredients that will be packaged into a finished good without further change and is intended for use or consumption other than by smoking. Medical cannabis concentrate formulation includes oral suspensions, tinctures, lotions, ointments, and any other medical cannabis delivery method approved by the commissioner.

Subp. 27. **Medical cannabis manufacturer or manufacturer.** "Medical cannabis manufacturer" or "manufacturer" has the meaning given in Minnesota Statutes, section 152.22, subdivision 7.

Subp. 28. **Medical cannabis product.** "Medical cannabis product" has the meaning given in Minnesota Statutes, section 152.22, subdivision 8.

Subp. 29. **Medical cannabis waste.** "Medical cannabis waste" means medical cannabis that is returned, damaged, defective, expired, or contaminated.

Subp. 30. **Parent or legal guardian.** "Parent or legal guardian" has the meaning given in Minnesota Statutes, section 152.27, subdivision 5.

Subp. 31. **Patient.** "Patient" has the meaning given in Minnesota Statutes, section 152.22, subdivision 9.

Subp. 32. **Plant material.** "Plant material" means any cannabis plant, cutting, trimming, or clone that has roots or that is cultivated with the intention of growing roots.

Subp. 33. **Plant material waste.** "Plant material waste" means plant material that is not used in the production of medical cannabis in a form allowable under Minnesota Statutes, section 152.22, subdivision 6.

Subp. 33a. **Plant regulator.** "Plant regulator" has the meaning given in Minnesota Statutes, section 18B.01, subdivision 20.

Subp. 33b. **Pre-roll.** "Pre-roll" means any combination of flower, shake, or leaf rolled in unflavored paper and intended to be smoked.

Subp. 34. **Production or produce.** "Production" or "produce" means:

- A. cultivating or harvesting plant material;
- B. processing or manufacturing; or
- C. packaging of medical cannabis.

Subp. 35. **Proficiency testing sample or PT sample.** "Proficiency testing sample" or "PT sample" means a sample obtained from an approved provider to evaluate the ability of a laboratory to produce an analytical test result meeting the definition of acceptable performance. The concentration of the analyte in the sample is unknown to the laboratory at the time of analysis.

Subp. 36. **Registered designated caregiver.** "Registered designated caregiver" has the meaning given in Minnesota Statutes, section 152.22, subdivision 11.

Subp. 36a. **Registered finished goods list.** "Registered finished goods list" means the official list maintained by the commissioner of finished goods permitted to be dispensed within the registry. The manufacturer must provide the commissioner the finished good's

chemical composition, the total volume or weight of each active ingredient, storage instructions, and estimated expiration date. If a finished good will be dispensed in an amount larger than one unit or dose, the manufacturer must specify the volume or weight and chemical composition that constitutes a single dose.

Subp. 37. **Registry program.** "Registry program" has the meaning given in Minnesota Statutes, section 152.22, subdivision 12.

Subp. 38. **Registry verification.** "Registry verification" has the meaning given in Minnesota Statutes, section 152.22, subdivision 13.

Subp. 38a. **Remediation.** "Remediation" means any process that removes or reduces the level of contaminants in a batch of dried raw cannabis flower and trim, either through extraction of oils or other means.

Subp. 39. **Restricted access area.** "Restricted access area" means a building, room, or other contiguous area on the premises where plant material is grown, cultivated, harvested, stored, packaged, or processed for sale under control of the medical cannabis manufacturer, and where no person under the age of 21 is permitted.

Subp. 39a. **Rinsate.** "Rinsate" means a dilute mixture of a crop input or crop inputs with water, solvents, oils, commercial rinsing agents, or other substances that is produced by or results from the cleaning of crop input application equipment or containers.

Subp. 39b. **Shake.** "Shake" means pieces of a cannabis flower that were once part of larger buds.

Subp. 40. **Sufficient cause to believe.** "Sufficient cause to believe" means grounds asserted in good faith that are not arbitrary, irrational, unreasonable, or irrelevant and that make the proposition asserted more likely than not, provided the grounds are based on at least one of the following sources:

A. facts or statements supplied by a patient, the patient's parent or legal guardian, the patient's designated registered caregiver, or an employee or agent of a medical cannabis manufacturer;

B. reports from an approved laboratory that indicate concerns with the chemical or bacterial composition of the medical cannabis;

C. financial records of a medical cannabis manufacturer;

D. police records;

E. court documents; or

F. facts of which the commissioner or the commissioner's employees have personal knowledge.

Subp. 41. **THC.** "THC" means tetrahydrocannabinol, CAS number 1972-08-3.

Subp. 42. **THCA.** "THCA" means tetrahydrocannabinolic acid, CAS number 23978-85-0.

Subp. 43. **Total cannabinoid content.** "Total cannabinoid content" means the combined target values by weight of all cannabinoids defining a finished good in the registered finished goods list, not including cannabinoids present only in trace amounts.

Subp. 44. **Total CBD content.** "Total CBD content" means the sum of the amount of CBD and 87.7 percent of the detectable amount of CBDA present in the product or plant material.

Subp. 45. **Total THC content.** "Total THC content" means the sum of the amount of THC and 87.7 percent of the detectable amount of THCA present in the product or plant material.

Subp. 46. **Water activity.** "Water activity" or " a_w " means a measure of the free moisture in usable cannabis and is the quotient of the water vapor pressure of the substance divided by the vapor pressure of pure water at the same temperature.

4770.0300 DUTIES OF COMMISSIONER.

Subpart 1. **Interagency agreements.** The commissioner may enter into any interagency agreements with other state agencies for technical services or other assistance related to the regulatory or inspection duties of a medical cannabis manufacturer and the registry program.

Subp. 2. **Notice to law enforcement.** If the commissioner has sufficient cause to believe that there is a threat to public safety, then the commissioner must notify local law enforcement agencies of any conditions that pose a threat to public safety, including:

- A. loss or theft of medical cannabis or plant material;
- B. diversion or potential diversion of medical cannabis or plant material; or
- C. unauthorized access to the patient registry.

Subp. 3. **Inspection of medical cannabis manufacturer.** A medical cannabis manufacturer is subject to reasonable inspection by the commissioner under Minnesota Statutes, section 152.29, subdivision 1. For purposes of this part, "reasonable inspection" means unannounced inspections by the commissioner of all:

- A. aspects of the business operations;
- B. physical locations of the medical cannabis manufacturer, its manufacturing facility, and distribution facilities;
- C. financial information and inventory documentation; and
- D. physical and electronic security alarm systems.

Subp. 4. **Fees.** Any fees collected by the commissioner under Minnesota Statutes, section 152.35, are not refundable.

Subp. 5. **Patient costs; pricing.**

A. A medical cannabis manufacturer must follow the requirements under Minnesota Statutes, section 152.35, paragraph (d), in establishing a reasonable fee.

B. The commissioner may annually review price costing by a medical cannabis manufacturer.

4770.0400 MEDICAL CANNABIS MANUFACTURER; OPERATIONS.

Subpart 1. **Operating documents.** Under Minnesota Statutes, section 152.29, subdivision 1, the operating documents of a medical cannabis manufacturer must describe operational and management practices, including:

- A. record keeping;
- B. security measures to deter and prevent theft of medical cannabis;
- C. unauthorized entrance into areas containing medical cannabis;
- D. types and quantities of medical cannabis products that are produced at the manufacturing facility;
- E. methods of planting, harvesting, drying, and storage of medical cannabis;
- F. estimated quantity of all crop inputs used in production;
- G. estimated quantity of waste material to be generated;
- H. disposal methods for all waste materials;

- I. employee training methods for the specific phases of production;
- J. biosecurity measures used in production and in manufacturing;
- K. strategies for reconciling discrepancies in plant material or medical cannabis;
- L. sampling strategy and quality testing for labeling purposes;
- M. medical cannabis packaging and labeling procedures;
- N. procedures for the mandatory and voluntary recall of medical cannabis;
- O. plans for responding to a security breach at a manufacturing or distribution facility, or while medical cannabis is in transit to a manufacturing or distribution facility;
- P. business continuity plan;
- Q. records relating to all transport activities; and
- R. other information requested by the commissioner.

Subp. 2. Prohibited activities.

A. A person may not own and operate a manufacturing facility unless the person is registered as a medical cannabis manufacturer by the commissioner under Minnesota Statutes, section 152.25.

B. A medical cannabis manufacturer and its employees, agents, or owners may not:

- (1) cultivate, produce, or manufacture medical cannabis in any location except in those areas designated for those activities in the registration agreement;
- (2) sell or distribute medical cannabis or medical cannabis products from any location except its distribution facilities;
- (3) produce or manufacture medical cannabis for use outside of Minnesota;
- (4) sell or distribute medical cannabis to any person other than a registered:
 - (a) patient;
 - (b) parent or legal guardian; or
 - (c) designated registered caregiver;
- (5) deliver or transport medical cannabis to any location except the manufacturer's production facility or distribution facilities, a waste-to-energy facility, another manufacturer's distribution facilities, a testing laboratory approved by the commissioner, and a laboratory selected by the commissioner to conduct audit testing under part 4770.3035;
- (6) sell medical cannabis that is not packaged and labeled in accordance with part 4770.0850; or
- (7) permit the consumption of medical cannabis at a distribution facility.

Subp. 3. Criminal background checks. A medical cannabis manufacturer is prohibited from employing any person who has a disqualifying felony offense as shown by a Minnesota criminal history background check or a federal criminal history background check performed by the Bureau of Criminal Apprehension under Minnesota Statutes, section 152.29, subdivision 1.

Subp. 4. Conflict of interest; health care practitioner activity restrictions. A medical cannabis manufacturer may not:

- A. permit a health care practitioner who certifies qualifying conditions for patients to:

- (1) hold a direct or indirect economic interest in the medical cannabis manufacturer;
 - (2) serve on the board of directors or as an employee of the medical cannabis manufacturer; or
 - (3) advertise with the medical cannabis manufacturer in any capacity;
- B. accept or solicit any form of remuneration from a health care practitioner who certifies qualifying conditions for patients; or
- C. offer any form of remuneration from a health care practitioner who certifies qualifying conditions for patients.

4770.0500 MEDICAL CANNABIS MANUFACTURER; QUALITY CONTROL; ASSURANCE PROGRAM.

Subpart 1. **Quality control program.** A medical cannabis manufacturer must develop and implement a written quality assurance program that assesses the chemical and microbiological composition of medical cannabis. Assessment includes a profile of the active ingredients, including shelf life, and the presence of inactive ingredients and contaminants. A medical cannabis manufacturer must use these testing results to determine appropriate storage conditions and expiration dates.

Subp. 2. **Sampling protocols.** A medical cannabis manufacturer must develop and follow written procedures for sampling medical cannabis that require the manufacturer to:

- A. conduct sample collection in a manner that provides analytically sound and representative samples;
- B. document every sampling event and provide this documentation to the commissioner upon request;
- C. describe all sampling and testing plans in written procedures that include the sampling method and the number of units per batch to be tested;
- D. ensure that random samples from each batch are:
 - (1) taken in an amount necessary to conduct the applicable test;
 - (2) labeled with the batch unique identifier; and
 - (3) submitted for testing; and
- E. retain the results from the random samples for at least five years.

Subp. 3. **Sampling; testing levels.** A medical cannabis manufacturer must:

- A. develop acceptance criteria for all potential contaminants based on the levels of metals, microbes, or other contaminants that the manufacturer uses in cultivating and producing medical cannabis. The testing levels are subject to approval by the commissioner;
- B. conduct sampling and testing using acceptance criteria that are protective of patient health. The sampling and testing results must ensure that batches of medical cannabis meet allowable health risk limits for contaminants;
- C. reject a medical cannabis batch that fails to meet established standards, specifications, and any other relevant quality-control criteria;
- D. develop and follow a written procedure for responding to results indicating contamination. The procedure must include destroying contaminated medical cannabis and determining the source of contamination; and
- E. retain documentation of test results, assessment, and destruction of medical cannabis for at least five years.

Subp. 4. Quality assurance program; stability testing.

A. The quality assurance program must include procedures for performing stability testing of each product type produced to determine product shelf life that addresses:

- (1) sample size and test intervals based on statistical criteria for each attribute examined to ensure valid stability estimates;
- (2) storage conditions for samples retained for testing; and
- (3) reliable and specific test methods.

B. Stability studies must include:

- (1) medical cannabis testing at appropriate intervals;
- (2) medical cannabis testing in the same container-closure system in which the drug product is marketed; and
- (3) testing medical cannabis for reconstitution at the time of dispensing, as directed in the labeling, and after the samples are reconstituted.

C. If shelf-life studies have not been completed before July 1, 2015, a medical cannabis manufacturer may assign a tentative expiration date, based on any available stability information. The manufacturer must concurrently conduct stability studies to determine the actual product expiration date.

D. After the manufacturer verifies the tentative expiration date, or determines the appropriate expiration date, the medical cannabis manufacturer must include that expiration date on each batch of medical cannabis.

E. Stability testing must be repeated if the manufacturing process or the product's chemical composition is changed.

Subp. 5. Reserve samples.

A. A medical cannabis manufacturer must retain a uniquely labeled reserve sample that represents each batch of medical cannabis and store it under conditions consistent with product labeling. The reserve sample must be stored in the same immediate container-closure system in which the medical cannabis is marketed, or in one that has similar characteristics. The reserve sample must consist of at least twice the quantity necessary to perform all the required tests.

B. A medical cannabis manufacturer must retain the reserve for at least one year following the batch's expiration date.

Subp. 6. Retesting. If the commissioner deems that public health may be at risk, the commissioner may require the manufacturer to retest any sample of plant material or medical cannabis.

4770.0600 LOCATION; DISTANCE FROM SCHOOL.

Under Minnesota Statutes, section 152.29, paragraph (j), a medical cannabis manufacturer may not operate within 1,000 feet of an existing public or private school. The medical cannabis manufacturer must measure the distance between the closest point of the manufacturing or distribution facility property lines to the closest point of the school's property lines.

For purposes of this part, "public or private school" means any property operated by a school district, charter school, or accredited nonpublic school for elementary, middle, or secondary school, or secondary vocation center purposes.

"Accredited nonpublic school" means any nonpublic school accredited by an accrediting agency recognized by the Minnesota nonpublic education council under Minnesota Statutes, section 123B.445, excluding home schools.

4770.0800 ADVERTISING AND MARKETING.

Subpart 1. **Permitted marketing and advertising activities.** A medical cannabis manufacturer may:

A. display the manufacturer's business name and logo on medical cannabis labels, signs, website, and informational material provided to patients. The name or logo must not include:

(1) images of cannabis or cannabis-smoking paraphernalia;

(2) colloquial references to cannabis;

(3) names of cannabis plant strains; or

(4) medical symbols that bear a reasonable resemblance to established medical associations. Examples of established medical organizations include the American Medical Association or American Academy of Pediatrics. The use of medical symbols is subject to approval by the commissioner;

B. display signs on the manufacturing facility and distribution facility; and

C. maintain a business website that contains the following information:

(1) the medical cannabis manufacturer name;

(2) the distribution facility location;

(3) the contact information;

(4) the distribution facility's hours of operation;

(5) the medical cannabis products provided;

(6) product pricing; and

(7) other information as approved by the commissioner.

Subp. 2. **Marketing and advertising activities; commissioner approval required.**

A. A medical cannabis manufacturer must request and receive the commissioner's written approval before beginning marketing or advertising activities that are not specified in subpart 1.

B. The commissioner has 30 calendar days to approve marketing and advertising activities submitted under this subpart.

Subp. 3. **Inconspicuous display.** A medical cannabis manufacturer must arrange displays of merchandise, interior signs, and other exhibits to prevent public viewing from outside the manufacturing facility and distribution facility.

4770.0900 MONITORING AND SURVEILLANCE REQUIREMENTS.

Subpart 1. **24-hour closed-circuit television.** A medical cannabis manufacturer must operate and maintain in good working order a closed-circuit television (CCTV) surveillance system on all of its premises, which must operate 24 hours per day, seven days per week, and visually record:

A. all phases of production;

B. all areas that might contain plant material and medical cannabis, including all safes and vaults;

C. all points of entry and exit, including sales areas;

D. the entrance to the video surveillance room; and

E. any parking lot, which must have appropriate lighting for the normal conditions of the area under surveillance.

Subp. 2. **Camera specifications.** Cameras must:

- A. capture clear and certain identification of any person entering or exiting a manufacturing facility or distribution facility;
- B. have the ability to produce a clear, color, still photo either live or from a recording;
- C. have an embedded date-and-time stamp on all recordings that must be synchronized and not obscure the picture; and
- D. continue to operate during a power outage.

Subp. 3. **Video recording specifications.**

- A. A video recording must export still images in an industry standard image format, including .jpg, .bmp, and .gif.
- B. Exported video must be archived in a proprietary format that ensures authentication and guarantees that the recorded image has not been altered.
- C. Exported video must also be saved in an industry standard file format that can be played on a standard computer operating system.
- D. All recordings must be erased or destroyed before disposal.

Subp. 4. **Additional requirements.** The manufacturer must maintain all security system equipment and recordings in a secure location to prevent theft, loss, destruction, corruption, and alterations.

Subp. 5. **Retention.** The manufacturer must ensure that 24-hour recordings from all video cameras are:

- A. available for viewing by the commissioner upon request;
- B. retained for at least 90 calendar days;
- C. maintained free of alteration or corruption; and
- D. retained longer, as needed, if the manufacturer is given actual notice of a pending criminal, civil, or administrative investigation, or other legal proceeding for which the recording may contain relevant information.

4770.1000 ALARM SYSTEM REQUIREMENTS.

A. A medical cannabis manufacturer must install and maintain a professionally monitored security alarm system that provides intrusion and fire detection of all:

- (1) facility entrances and exits;
- (2) rooms with exterior windows;
- (3) rooms with exterior walls;
- (4) roof hatches;
- (5) skylights; and
- (6) storage rooms.

B. For purposes of this part, a security alarm system means a device or series of devices that summons law enforcement personnel during, or as a result of, an alarm condition. Devices may include:

- (1) hardwired systems and systems interconnected with a radio frequency method such as cellular or private radio signals that emit or transmit a remote or local audio, visual, or electronic signal;
- (2) motion detectors;

- (3) pressure switches;
- (4) a duress alarm;
- (5) a panic alarm;
- (6) a holdup alarm;
- (7) an automatic voice dialer; and
- (8) a failure notification system that provides an audio, text, or visual notification of any failure in the surveillance system.

C. A manufacturer's security alarm system and all devices must continue to operate during a power outage.

D. The commissioner must have the ability to access a medical cannabis manufacturer's security alarm system.

E. The manufacturer's security alarm system must be inspected and all devices tested annually by a qualified alarm vendor.

4770.1100 TRANSPORTATION OF MEDICAL CANNABIS.

Subpart 1. Transportation of medical cannabis and plant material; when authorized.

- A. A medical cannabis manufacturer is authorized to transport medical cannabis:
- (1) from its manufacturing facility to its distribution facilities;
 - (2) between its distribution facilities;
 - (3) from its manufacturing facility to a distribution facility operated by another manufacturer;
 - (4) from its manufacturing facility to a testing laboratory for testing;
 - (5) from a testing laboratory to its manufacturing facility or to a waste-to-energy facility;
 - (6) from its manufacturing facility or distribution facility to a laboratory selected by the commissioner to conduct audit testing under part 4770.3035; and
 - (7) from its manufacturing facility or distribution facility to a waste-to-energy facility.

B. A medical cannabis manufacturer is authorized to transport plant material waste:

- (1) from its manufacturing facility to a waste disposal site; and
- (2) when a specific nonroutine transport request from the manufacturer is approved by the commissioner.

Subp. 2. Transporting medical cannabis.

A. A medical cannabis manufacturer must use a manifest system, approved by the commissioner, to track shipping of medical cannabis. The manifest system must include a chain of custody that records:

- (1) the name and address of the destination;
- (2) the weight, measure, or numerical count and description of each individual package that is part of the shipment, and the total number of individual packages;
- (3) the date and time the medical cannabis shipment is placed into the transport vehicle;

- (4) the date and time the shipment is accepted at the delivery destination;
- (5) the person's identity, and the circumstances, duration, and disposition of any other person who had custody or control of the shipment; and
- (6) any handling or storage instructions.

B. Before transporting medical cannabis, a medical cannabis manufacturer must:

- (1) complete a manifest on a form approved by the commissioner; and
- (2) transmit a copy of the manifest to the manufacturer's distribution facility, a laboratory, or a waste-to-energy facility, as applicable.

C. The manifest must be signed by:

- (1) an authorized manufacturer employee when departing the manufacturing facility; and
- (2) an authorized employee of the receiving distribution facility, laboratory, or waste-to-energy facility.

D. An authorized employee at the facility receiving medical cannabis must:

- (1) verify and document the type and quantity of the transported medical cannabis against the manifest;
- (2) return a copy of the signed manifest to the manufacturing facility; and
- (3) record the medical cannabis that is received as inventory according to part 4770.1800.

E. A manufacturer must maintain all manifests for at least five years and make them available upon request of the commissioner.

Subp. 3. Transportation of medical cannabis; vehicle requirements.

A. A manufacturer must ensure that:

- (1) all medical cannabis transported on public roadways is:
 - (a) packaged in tamper-evident, bulk containers;
 - (b) transported so it is not visible or recognizable from outside the vehicle;
 - (c) transported in a vehicle that does not bear any markings to indicate that the vehicle contains cannabis or bears the name or logo of the manufacturer; and
 - (d) kept in a compartment of a transporting vehicle that maintains appropriate temperatures and conditions that will protect plant material and medical cannabis against physical, chemical, and microbial contamination or deterioration.

B. Manufacturer employees who are transporting medical cannabis, plant waste, or medical cannabis waste on public roadways must:

- (1) travel directly to the destination listed on the transportation manifest;
- (2) document refueling and all other stops in transit, including:
 - (a) the reason for the stop;
 - (b) the duration of the stop;
 - (c) the location of the stop; and
 - (d) all activities of employees exiting the vehicle; and
- (3) not wear manufacturer-branded clothing or clothing that identifies the employee as an employee of the manufacturer.

C. If an emergency requires stopping the vehicle, the employee must notify 911 and complete an incident report form provided by the commissioner.

D. Under no circumstance may any person other than a designated manufacturer employee have actual physical control of the motor vehicle that is transporting the medical cannabis.

E. A medical cannabis manufacturer must staff all motor vehicles with a minimum of two employees when transporting medical cannabis between a manufacturing facility and a distribution facility. At least one employee must remain with the motor vehicle at all times that the motor vehicle contains medical cannabis. A single employee may transport medical cannabis to an approved laboratory.

F. Each employee in a transport motor vehicle must have communication access with the medical cannabis manufacturer's personnel, and have the ability to contact law enforcement through the 911 emergency system at all times that the motor vehicle contains medical cannabis.

G. An employee must carry the employee's identification card at all times when transporting or delivering cannabis and, upon request, produce the identification card to the commissioner or to a law enforcement officer acting in the course of official duties.

H. A medical cannabis manufacturer must not leave a vehicle that is transporting medical cannabis unattended overnight.

4770.1200 DISPOSAL OF MEDICAL CANNABIS AND PLANT MATERIAL.

Subpart 1. **Medical cannabis take-back.** A medical cannabis manufacturer must accept at no charge unused, excess, or contaminated medical cannabis. A manufacturer must:

- A. dispose of the returned medical cannabis as provided in subpart 2; and
- B. maintain a written record of disposal that includes:
 - (1) the name of the patient;
 - (2) the date the medical cannabis was returned;
 - (3) the quantity of medical cannabis returned; and
 - (4) the type and batch number of medical cannabis returned.

Subp. 2. **Medical cannabis and plant material waste.** A medical cannabis manufacturer must store, secure, and manage medical cannabis waste and plant material waste in accordance with all applicable federal, state, and local regulations.

A. The manufacturer must dispose of medical cannabis waste by incineration at a waste-to-energy facility according to federal and state law.

- B. The manufacturer must dispose of plant material by composting as follows:
 - (1) at the manufacturing facility, according to federal and state law; or
 - (2) at an approved composting facility, according to federal and state law.

C. Before transport, the manufacturer must render plant material waste unusable and unrecognizable by grinding and incorporating the waste with a greater quantity of nonconsumable, solid wastes including:

- (1) paper waste;
- (2) cardboard waste;
- (3) food waste;
- (4) yard waste;

(5) vegetative wastes generated from industrial or manufacturing processes that prepare food for human consumption;

(6) soil; or

(7) other waste approved by the commissioner.

Subp. 3. **Liquid and chemical waste disposal.** The medical cannabis manufacturer must dispose of all liquid and chemical product waste generated in the process of cultivating, manufacturing, and distributing medical cannabis in accordance with all applicable federal, state, and local regulations.

Subp. 4. **Waste-tracking requirements.** The medical cannabis manufacturer must use forms provided by the commissioner to maintain accurate and comprehensive records regarding waste material that accounts for, reconciles, and evidences all waste activity related to the disposal of medical cannabis waste and plant material waste.

4770.1300 MANDATORY SIGNAGE.

A. A medical cannabis manufacturer must post a sign in a conspicuous location at each entrance of the manufacturing facility that reads "PERSONS UNDER TWENTY-ONE YEARS OF AGE NOT PERMITTED IN RESTRICTED ACCESS AREAS."

B. A manufacturer must post a sign in a conspicuous location at every entrance to the manufacturing facility and each distribution facility that reads "THESE PREMISES ARE UNDER CONSTANT VIDEO SURVEILLANCE."

4770.1400 PERSONNEL IDENTIFICATION SYSTEM.

Subpart 1. **Identification system.** A medical cannabis manufacturer must use a personnel identification system that controls and monitors individual employee access to restricted access areas within the manufacturing facility and distribution facility and that meets the requirements of this part and part 4770.0700.

Subp. 2. **Employee identification card requirement.** An employee identification card must contain:

A. the name of the cardholder;

B. the date of issuance and expiration;

C. an alphanumeric identification number that is unique to the cardholder; and

D. a photographic image of the cardholder.

Subp. 3. **Visitor pass required.** A visitor must wear a visitor pass issued by the medical cannabis manufacturer that is visible at all times.

Subp. 4. **Employee identification card on person and visible at all times.** A manufacturer's employee must keep the employee's identification card visible at all times when in a manufacturing facility, distribution facility, or vehicle transporting medical cannabis.

Subp. 5. **Termination of employment.** Upon termination of an employee, a medical cannabis manufacturer must obtain and destroy the terminated employee's identification card.

4770.1460 RENEWAL OF REGISTRATION.

Subpart 1. **Application.** A registered manufacturer must submit an application to renew its registration with the commissioner at least six months before its registration term expires. The application must include:

A. any material change in its previous application materials;

B. information about each alleged incident involving theft, loss, or possible diversion of medical cannabis by an employee, agent, or contractor of the manufacturer;

C. the manufacturer's compliance with all relevant state and local laws;

D. information about the manufacturer's ability to continue manufacturing and distributing medical cannabis, including financial viability and ability to ensure adequate supply of medical cannabis; and

E. any other information requested by the commissioner.

Subp. 2. **Criteria.** The commissioner must use criteria listed in Minnesota Statutes, section 152.25, subdivision 1, paragraph (c), when considering a manufacturer's application to renew its registration.

Subp. 3. **Notification.** The commissioner must notify the manufacturer of the commissioner's decision to approve or deny the manufacturer's registration application at least 120 days before the expiration of the registration agreement.

4770.1500 CLOSURE OF OPERATIONS; DEREGISTRATION.

Subpart 1. **Notice.** A medical cannabis manufacturer shall notify the commissioner at least six months before the closure of the manufacturing facility and its distribution facilities.

Subp. 2. **Procedures.** If a medical cannabis manufacturer ceases operation, the commissioner must verify the remaining inventory of the manufacturer and seize all plant material, plant material waste, and medical cannabis. The commissioner must ensure that any plant material, plant material waste, and medical cannabis is destroyed by incineration at a waste-to-energy facility.

4770.1600 RECORD KEEPING; REQUIREMENTS.

A. A medical cannabis manufacturer must maintain for at least five years complete, legible, and current records, including:

(1) the date of each sale or distribution;

(2) the registration number of all patients;

(3) the item number, product name and description, and quantity of medical cannabis sold or otherwise distributed;

(4) records of sale prices of medical cannabis to patients;

(5) the quantity and form of medical cannabis maintained by the manufacturer at the manufacturing facility on a daily basis; and

(6) the amount of plants being grown at the manufacturing facility on a daily basis.

B. A medical cannabis manufacturer must maintain records that reflect all financial transactions and the financial condition of the business. The following records must be maintained for at least five years and made available for review, upon request of the commissioner:

(1) purchase invoices, bills of lading, transport manifests, sales records, copies of bills of sale, and any supporting documents, to include the items or services purchased, from whom the items were purchased, and the date of purchase;

(2) bank statements and canceled checks for all business accounts;

(3) accounting and tax records;

(4) records of all financial transactions, including contracts and agreements for services performed or services received;

- (5) all personnel records;
- (6) crop inputs applied to the growing medium, plants, or plant material used in production;
- (7) production records;
- (8) transportation records;
- (9) inventory records;
- (10) records of all samples sent to a testing laboratory and the quality assurance test results; and
- (11) records of any theft, loss, or other unaccountability of any medical cannabis or plant material.

4770.1700 MEDICAL CANNABIS MANUFACTURER; PRODUCTION REQUIREMENTS.

Subpart 1. Cultivation and processing; generally.

A. Only a registered medical cannabis manufacturer is authorized to produce and manufacture medical cannabis.

B. All phases of production must take place in designated, restricted access areas that are monitored by a surveillance camera system in accordance with part 4770.0900.

C. All areas must be compartmentalized based on function, and employee access must be restricted between compartments.

D. The production process must be designed to limit contamination. Examples of contamination include mold, fungus, bacterial diseases, rot, pests, nonorganic pesticides, and mildew.

E. Each production area must have an open aisle for unobstructed access, observation, and inventory of each plant group.

F. Biosecurity measures must be in effect and documented according to part 4770.0400, subpart 1.

G. The manufacturer must maintain a record at the facility of all crop inputs for at least five years. The record must include the following:

- (1) the date of application;
- (2) the name of the employee applying the crop input;
- (3) the name and description of the crop input that was applied, including the chemical name, product name, and manufacturer, where applicable;
- (4) the section, including the square footage, that received the application by batch number;
- (5) either the amount or concentration of crop input, or both, that was applied;
- (6) a copy of the label of the crop input applied; and
- (7) the vendor or other origin of the crop input.

H. At the time of planting, all plants must be tracked in a batch process with a unique batch number that must remain with the batch through final packaging.

I. A manufacturer must record any removal of plants from the batch on a record maintained at the manufacturing facility for at least five years.

J. The batch number must be displayed on the label of the medical cannabis.

Subp. 1a. Crop inputs used in cultivation of dried raw cannabis.

A. A manufacturer cultivating plants intended to become dried raw cannabis must follow practices and procedures that minimize the risk of chemical contamination or adulteration of the medical cannabis.

B. A manufacturer may only apply a pesticide in the cultivation of medical cannabis if the pesticide has been:

(1) deemed to be minimum risk by the United States Environmental Protection Agency in accordance with Code of Federal Regulations, title 40, section 152.25 (f), and exempted from United States Code, title 7, section 136 et seq., the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), and the pesticide's label does not exclude its use on a genus cannabis plant;

(2) registered with the United States Environmental Protection Agency under section 3 of FIFRA, United States Code, title 7, section 136 et seq., and is labeled for use on medical cannabis or cannabis used for human consumption; or

(3) registered with the United States Environmental Protection Agency under section 3 of FIFRA, United States Code, title 7, section 136 et seq., and:

(a) the active ingredient found in the pesticide is either exempt from the tolerance requirements in Code of Federal Regulations, title 40, part 180, subpart D, or does not require an exemption from the tolerance requirement in Code of Federal Regulations, title 40, part 180, subpart E;

(b) the pesticide product label does not prohibit use within an enclosed structure for the site of application;

(c) the pesticide product label expressly has directions for use on unspecified crops or plants intended for human consumption; and

(d) the pesticide product is used in accordance with all applicable instructions, restrictions, and requirements on the product label.

C. A manufacturer may use rooting hormones or cloning gels only during the propagation phase of the plant life cycle.

D. A manufacturer must store all crop input stocks in their original containers with their original labels intact. The manufacturer must ensure that packaged fertilizers and containers of diluted or prepared fertilizer remain labeled with information as required in Minnesota Statutes, section 18C.215, at all times.

E. The manufacturer must apply, store, and dispose of crop inputs, rinsate, and containers according to label instructions and all other applicable laws and regulations.

F. If an audit sample tested under part 4770.3035 shows the presence of a crop input not permitted under this subpart, the batch and any finished good produced from the batch are adulterated and must be disposed of as medical cannabis waste under part 4770.1200, subpart 2. The use of pesticides not permitted under this part is presumptively classified as a serious violation under Minnesota Statutes, sections 144.989 to 144.993.

Subp. 2. Production of medical cannabis.

A. The commissioner must approve the manufacturer's use of any hydrocarbon-based extraction process. Examples of a hydrocarbon-based extraction process include the use of butane, ethanol, hexane, and isopropyl alcohol.

B. Medical cannabis must be prepared, handled, and stored in compliance with the sanitation requirements in this part.

C. A manufacturer must maintain appropriate temperatures and conditions that will protect plant material and medical cannabis against physical, chemical, and microbial contamination or deterioration of the product or its container.

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D. A manufacturer must ensure that the cannabinoid content of the medical cannabis it produces is homogenous.

E. Prior to distributing new finished goods to customers, a manufacturer must obtain the commissioner's approval. The commissioner shall:

(1) for each manufacturer, maintain a registered finished goods list containing packaged product information; and

(2) update the list as needed.

F. The manufacturer must submit a definition of each finished good to the commissioner to include in the registered finished goods list before a batch sample may be tested.

G. Pre-rolls must not contain more than one gram of dried raw cannabis each.

Subp. 3. **General sanitation requirements.** A manufacturer must take all reasonable measures and precautions to ensure that:

A. any employee who has a communicable disease does not perform any tasks that might contaminate plant material or medical cannabis;

B. hand-washing facilities are:

(1) convenient and furnished with running water at a suitable temperature;

(2) located in all production areas; and

(3) equipped with effective hand-cleaning and sanitizing preparations and sanitary towel service or electronic drying devices;

C. all employees working in direct contact with plant material and medical cannabis must use hygienic practices while on duty, including:

(1) maintaining personal cleanliness; and

(2) washing hands thoroughly in a hand-washing area before starting work and at any other time when the hands may have become soiled or contaminated;

D. litter and waste are routinely removed and the operating systems for waste disposal are routinely inspected;

E. floors, walls, and ceilings are constructed with a surface that can be easily cleaned and maintained in good repair to inhibit microbial growth;

F. lighting is adequate in all areas where plant material and medical cannabis are processed, stored, or sold;

G. screening or other protection against the entry of pests is provided, including that rubbish is disposed of to minimize the development of odor and the potential for the waste becoming an attractant, harborage, or breeding place for pests;

H. any buildings, fixtures, and other facilities are maintained in a sanitary condition;

I. toxic cleaning compounds, sanitizing agents, and other potentially harmful chemicals are identified and stored in a separate location away from plant material and medical cannabis and in accordance with applicable local, state, or federal law;

J. all contact surfaces, utensils, and equipment used in the production of plant material and medical cannabis are maintained in a clean and sanitary condition;

K. the manufacturing facility water supply is sufficient for necessary operations;

L. plumbing size and design meets operational needs and all applicable state and local laws;

M. employees have accessible toilet facilities that are sanitary and in good repair;
and

N. plant material and medical cannabis that could support the rapid growth of undesirable microorganisms are isolated to prevent the growth of those microorganisms.

Subp. 4. Storage.

A. A manufacturer must store plant material and medical cannabis during production, transport, and testing to prevent diversion, theft, or loss, including ensuring:

(1) plant material and medical cannabis are returned to a secure location immediately after completion of the process or at the end of the scheduled business day;
and

(2) the tanks, vessels, bins, or bulk containers containing plant material or medical cannabis are locked inside a secure area if a process is not completed at the end of a business day.

B. A manufacturer must store all plant material and medical cannabis during production, transport, and testing, and all saleable medical cannabis:

(1) in areas that are maintained in a clean, orderly, and well-ventilated condition; and

(2) in storage areas that are free from infestation by insects, rodents, birds, and other pests of any kind.

C. To prevent degradation, a manufacturer must store all plant material and medical cannabis in production, transport, and testing, and all saleable medical cannabis under conditions that will protect it against physical, chemical, and microbial contamination and deterioration of the product and its container.

D. A manufacturer must maintain a separate secure storage area for medical cannabis that is returned, including medical cannabis that is outdated, damaged, deteriorated, mislabeled, or contaminated, or whose containers or packaging have been opened or breached, until the returned medical cannabis is destroyed. For purposes of this part, a separate, secure storage area includes a container, closet, or room that can be locked or secured.

4770.1800 INVENTORY.

Subpart 1. Controls and procedures. A medical cannabis manufacturer must establish inventory controls and procedures for conducting inventory reviews and comprehensive inventories of plant material and medical cannabis to prevent and detect any diversion, theft, or loss in a timely manner.

Subp. 2. Reliable and ongoing supply. A medical cannabis manufacturer must provide a reliable and ongoing supply of medical cannabis as required by Minnesota Statutes, section 152.29, subdivision 2.

Subp. 3. Real-time inventory. A medical cannabis manufacturer must maintain a real-time record of its inventory of plant material and medical cannabis to include:

A. the date and time of the inventory;

B. a summary of inventory findings, including:

(1) the weight of cannabis seeds by type, strain, and cultivar;

(2) the total count of plants, whether in the flowering, vegetative, or clone phase of growth and organized by room in which the plants are grown;

(3) the batch number, weight or unit count, and strain name associated with each batch at the production facility that has been prepared for testing or is ready for transport to a distribution facility;

(4) the total number of plants that have been harvested but are not yet associated with a batch and every unique plant identifier;

(5) the amount of acquired industrial hemp; and

(6) the amount of medical cannabis, either by weight or units, sold since previous inventory and listed by product name and registry identifier;

C. the names of the employees or employee conducting the inventory; and

D. other information deemed necessary and requested by the commissioner.

Subp. 4. **Waste inventory.** The medical cannabis manufacturer must maintain a real-time record of its inventory of all medical cannabis waste, including damaged, defective, expired, contaminated, recalled, or returned medical cannabis for disposal, and plant material waste for disposal.

Subp. 5. **Reconciliation.** At the close of business each day, a medical cannabis manufacturer must reconcile by conducting a physical inventory of all:

A. plant material at the manufacturing facility and in transit; and

B. medical cannabis at the manufacturing facility, each distribution facility, and in transit.

Subp. 6. **Scales.** All scales used to weigh usable plant material for purposes of this chapter must be certified in accordance with the International Organization for Standardization (ISO), ISO/IEC Standard 17025, which is incorporated by reference.

Subp. 7. **Discrepancies.** If discrepancies are discovered outside of loss standard to the industry due to moisture loss and handling, the manufacturer must investigate the discrepancy and must submit a report of its investigation to the commissioner within seven days. If a discrepancy is due to suspected criminal activity, the manufacturer must notify the commissioner and appropriate law enforcement agencies in writing within 24 hours.

4770.1900 MEDICAL CANNABIS LABORATORY APPROVAL.

Subpart 1. **Commissioner's authority.** The commissioner must approve any medical cannabis laboratory that tests medical cannabis for a registered medical cannabis manufacturer under Minnesota Statutes, section 152.25, subdivision 1, paragraph (d). A medical cannabis laboratory may seek approval to use specific procedures to test the allowable product types and analytes according to parts 4770.1900 to 4770.2400, which specify the commissioner's requirements authorized by Minnesota Statutes, section 152.29, subdivision 1, paragraph (b).

Subp. 2. **Eligibility.** The commissioner may only approve a medical cannabis laboratory that tests under a contract with a medical cannabis manufacturer that can demonstrate its eligibility under this subpart. The laboratory must:

A. operate using proper laboratory equipment under a quality assurance system and test product types for analytes listed in the commissioner's list in subpart 3;

B. test medical cannabis delivered in the product types specified in subpart 4;

C. test accurately for the following elements:

(1) content, by testing for analytes for a cannabinoid profile;

(2) contamination, by testing for analytes for:

(a) metals;

(b) pesticide residues and plant growth regulators;

(c) microbiological contaminants and mycotoxins; and

(d) residual solvents; and

(3) consistency of medical cannabis by testing for stability.

Subp. 3. Commissioner list of approved cannabis labs.

A. The commissioner must publish a list of approved cannabis laboratories in the State Register and on the department's medical cannabis program website at least annually.

B. The commissioner must provide the following information for each approved laboratory:

(1) its scope of approval;

(2) name, telephone number, and e-mail address of primary laboratory contact;

and

(3) physical and mailing address of laboratory.

Subp. 4. Commissioner's approved medical cannabis product types. The commissioner's approved product types include:

A. liquid, including in oil form;

B. pill;

C. vaporized delivery method using liquid or oil;

D. dried raw cannabis intended to be used or consumed by combustion; and

E. any other method approved by the commissioner under Minnesota Statutes, section 152.27, subdivision 2, paragraph (b).

Subp. 5. Commissioner's analyte list.

A. The commissioner must maintain a list of analytes that laboratories must be able to test for. The analyte categories include:

(1) cannabinoid profile;

(2) metals;

(3) pesticide residues and plant growth regulators;

(4) microbiological contaminants and mycotoxins; and

(5) residual solvents.

B. The commissioner must publish the analyte list in the State Register and on the department's medical cannabis program website.

C. The commissioner must review the analyte list and publish a notice of any analyte updates in the State Register and on the department's medical cannabis program website at least every six months.

4770.2000 MEDICAL CANNABIS LABORATORY APPROVAL; APPLICATION AND APPROVAL.

Subpart 1. Application requirements.

A. A laboratory must apply for the commissioner's approval on a form provided by the commissioner.

B. A laboratory must also submit the following items:

(1) a signed and notarized attestation:

(a) declaring any conflict of interest, actual or perceived, relating to its direct or indirect financial interests in any medical cannabis manufacturer form; and

(b) stating that the laboratory is independent from the medical cannabis manufacturers;

(2) the fields of testing it is applying for approval to test;

(3) its quality assurance manual;

(4) its standard operating procedures;

(5) sample handling, receipt, and acceptance procedures and policies;

(6) demonstration of laboratory capability and acceptable performance through a combination of:

(a) existing certificates and approvals;

(b) documented demonstrations of analytical capabilities; and

(c) documented and acceptable proficiency testing samples from an approved provider, where available;

(7) method validation procedures for testing methods; and

(8) the name and educational qualifications of at least one technical manager responsible for the laboratory achieving and maintaining the quality and analytical standards of practice.

C. A mobile laboratory is considered a separate laboratory and is subject to all requirements of parts 4770.1900 to 4770.2300. In addition to the requirements of subpart 1, a mobile laboratory must:

(1) submit a vehicle identification number, license plate number, or other uniquely identifying information to the commissioner when applying for approval; and

(2) designate which fields of testing, equipment, and personnel are associated with the mobile laboratory.

D. The following items are required and must be submitted to the commissioner before December 31, 2022:

(1) a copy of the lab's ISO/IEC 17025:2017 Certificate and Scope of Accreditation; and

(2) a copy of the lab's most recent assessment report, including the scope of the assessment to ensure the evaluation of the medical cannabis fields of testing.

Subp. 2. Application requirements; commissioner's evaluation.

A. The commissioner must evaluate completed applications using the following criteria.

(1) A laboratory must operate formal management systems under the International Organization for Standardization (ISO). The ISO/IEC 17025, *General Requirements for the Competency of Testing and Calibration Laboratories*, includes technical and management system requirements which are incorporated by reference in part 4770.2800.

(2) A laboratory seeking initial or renewal medical cannabis laboratory approval after December 31, 2016, must be accredited to Standard ISO/IEC 17025:2005, which is incorporated by reference.

(3) A laboratory must specify one or more fields of testing for which it seeks approval. A laboratory must be approved for at least one field of testing to test medical cannabis for a medical cannabis manufacturer.

B. The commissioner must approve or deny the application within 60 days of receiving the completed application and any applicable information required under part 4770.2000, subpart 1, and subpart 2.

C. No board member, officer, employee, or other person with a financial interest in a medical cannabis manufacturer may have an interest or voting rights in the laboratory.

D. The commissioner's decision on a laboratory's application is a final agency decision.

Subp. 3. Approval.

A. When granting approval, the commissioner must notify the laboratory and include the following documentation:

- (1) a letter acknowledging compliance with approval requirements by the laboratory;
- (2) the scope of approval for the laboratory;
- (3) the logo of the Minnesota Department of Health;
- (4) the name of the laboratory;
- (5) the address of the laboratory; and
- (6) the expiration date of the approval.

B. If a laboratory's scope of approval changes, the commissioner must issue a new document that specifies the revised scope of approval.

C. A laboratory's approval is valid for one year from the date of the commissioner's awarding approval or renewal of approval, unless the commissioner rescinds approval under part 4770.2100.

4770.2100 MEDICAL CANNABIS LABORATORY APPROVAL; INSPECTION AND COMPLIANCE.

Subpart 1. Laboratory inspection and reports.

A. The commissioner may inspect a lab without prior notice at any time during normal business hours to verify compliance with parts 4770.1900 to 4770.2200. The commissioner may inspect:

- (1) approved laboratories; and
- (2) laboratories requesting approval.

B. If the commissioner has sufficient cause to believe that a laboratory's proficiency, execution, or validation of analytical methodologies are deficient, the commissioner may require and a laboratory must obtain third-party validation and ongoing monitoring of the laboratory. The laboratory must pay for all costs associated with the commissioner-ordered third-party validation.

C. An approved laboratory must provide reports to the commissioner regarding chemical compositions, microbial compositions, dosages, and noncannabis drug interactions under Minnesota Statutes, section 152.25, as requested by the commissioner.

D. An approved laboratory must provide reports to the medical cannabis manufacturer on forms provided by the commissioner.

Subp. 2. Laboratory approval requirements.

A. An approved laboratory may not misrepresent its approval on any document or marketing material.

B. A laboratory must make its current approval documentation and corresponding scope of approval available upon the request of:

- (1) a client;
- (2) the commissioner; or

(3) a regulatory agency.

Subp. 3. Rescinding approval.

A. The commissioner may rescind an approved cannabis laboratory's approval if the commissioner determines the laboratory has failed to:

- (1) submit accurate application materials to the commissioner under part 4770.2000;
- (2) comply with application requirements under part 4770.2000;
- (3) comply with all applicable laws, rules, standards, policies, and procedures;
- (4) allow the commissioner or designee to perform physical inspection of facilities;
- (5) submit copies of inspection and corrective reports issued by the approved ISO/IEC 17025 accreditation body, as requested by the commissioner;
- (6) provide the medical cannabis manufacturer with timely reports; or
- (7) provide the medical cannabis manufacturer with reports compliant with the commissioner's designated test report format.

B. A laboratory must return its approval letter to the commissioner immediately if the commissioner rescinds the laboratory's approval.

C. The commissioner's decision to rescind approval of an approved medical cannabis laboratory is a final agency decision.

4770.2200 MEDICAL CANNABIS LABORATORY APPROVAL; DUTY TO NOTIFY.

Subpart 1. Operational changes.

A. A laboratory must notify the commissioner in writing within 30 days of a change in:

- (1) name of the laboratory;
- (2) physical location, postal mailing address, or e-mail address of the laboratory;
- (3) owner of the laboratory;
- (4) name, telephone numbers, or e-mail address of the designated contact person;
- (5) name of a technical manager;
- (6) major analytical equipment; or
- (7) test methods.

B. A laboratory that notifies the commissioner of an operational change under item A must include in the notice written results of proficiency testing samples or demonstrations of capability analyzed after the reported change.

Subp. 2. Voluntary withdrawal.

A. If a laboratory chooses to withdraw its application for approval or its current approval in total or in part, the laboratory must:

- (1) notify the commissioner in writing; and
- (2) specify the effective date of withdrawal.

B. By the effective date of the withdrawal of approval, in total or in part, the laboratory must:

- (1) notify current client manufacturers in writing of its intent to withdraw its approval;
- (2) indicate the effective date of the withdrawal; and
- (3) submit a copy of each notification to the commissioner.

4770.2300 MEDICAL CANNABIS LABORATORY APPROVAL; APPEAL OF ADMINISTRATIVE DECISION.

A. The commissioner must notify a laboratory in writing the reason for the decision to deny or rescind laboratory approval under part 4770.2100.

B. A laboratory has 30 days from the commissioner's notice of denial or notice of rescinded approval to appeal the decision. A request to appeal must:

- (1) be in writing;
- (2) indicate the facts the laboratory disputes;
- (3) be signed by the laboratory managing agent; and
- (4) be sent to the commissioner.

C. The commissioner must notify a laboratory of the commissioner's acceptance or denial of an appeal request, in writing, within 60 days of receiving the request. The commissioner's decision is a final agency decision.

4770.2400 MEDICAL CANNABIS LABORATORY APPROVAL; VARIANCES.

The commissioner may grant a variance from parts 4770.1900 to 4770.2200. To request a variance, a laboratory must indicate in writing:

- A. the rule part and language for which the variance is sought;
- B. reasons for the request;
- C. alternate measures that the laboratory will take if the commissioner grants its request for variance;
- D. the proposed length of time of the variance; and
- E. data that the laboratory will provide to ensure analytical results of equal or better reliability, if applicable.

4770.2700 MEDICAL CANNABIS MANUFACTURER; FINANCIAL EXAMINATIONS; PRICING REVIEWS.

A. A medical cannabis manufacturer must maintain financial records in accordance with generally accepted accounting principles and, upon request, must provide any financial records to the commissioner.

B. The commissioner shall request an additional audit of the medical cannabis manufacturer, of the same time period, if the commissioner finds one or more of the following:

- (1) credible evidence or allegations of financial reporting irregularities not revealed in the annual certified financial audit; or
- (2) reasonable cause to believe there are operational or compliance concerns involving financing, budgeting, revenues, sales, or pricing.

4770.2800 INCORPORATION BY REFERENCE.

The International Organization for Standardization (ISO), ISO/IEC Standard 17025, is incorporated by reference, is not subject to frequent change, and is made a part of this rule where indicated. ISO/IEC Standard 17025 is published by the International Organization for Standardization, located at 1, ch. de la Voie-Creuse, CP 56, CH-1211 Geneva 20, Switzerland. ISO/IEC Standard 17025 is available in the office of the commissioner of health and can be found online at www.isoiec17025.com or www.iso.org.

4770.4000 APPLICABILITY AND PURPOSE.

Parts 4770.4000 to 4770.4018 establish the criteria and procedures to be used by the commissioner for establishing and overseeing the medical cannabis registry for enrolled patients and their designated caregivers.

4770.4002 DEFINITIONS.

Subpart 1. **Applicability.** The terms used in this chapter have the meanings given them in this part and in Minnesota Statutes, sections 152.22 to 152.37.

Subp. 1a. **Adverse incident.** "Adverse incident" means any negative medical occurrence in a person after using medical cannabis, either physical or psychological, including any harmful reaction, symptom, or disease.

Subp. 2. **DEA Registration Certificate.** "DEA Registration Certificate" means a certificate to prescribe controlled substances issued by the United States Department of Justice's Drug Enforcement Administration.

Subp. 3. **Disqualifying felony offense.** "Disqualifying felony offense" has the meaning given in Minnesota Statutes, section 152.22, subdivision 3.

Subp. 4. **Diversion or diverting.** "Diversion" or "diverting" means the intentional transferring of medical cannabis to a person other than a patient, designated registered caregiver, or a parent or legal guardian of a patient if the parent or legal guardian of a patient is listed on the registry verification.

Subp. 4a. **Diversion involving adverse incidents.** "Diversion involving adverse incidents" means any suspected incident of diversion that results in an adverse incident.

Subp. 5. **Evidence-based medicine.** "Evidence-based medicine" means documentation of published, peer-reviewed best evidence on research related to the use of medical cannabis, which includes up-to-date information from relevant, valid research about the effects of medical cannabis on different forms of diseases and conditions, its use in health care, the potential for harm from exposure, a clinical assessment of the effectiveness of medical cannabis in an ongoing treatment paradigm, and any other relevant medical information.

Subp. 6. **Financial interest.** "Financial interest" means any actual or future right to ownership, investment, or compensation arrangement with another person, either directly or indirectly, through business, investment, spouse, parent, or child in a medical cannabis manufacturer. Financial interest does not include ownership of investment securities in a publicly held corporation that is traded on a national exchange or over-the-counter market, provided the investment securities held by the person, the person's spouse, parent, or child, in the aggregate, do not exceed one percent ownership in the medical cannabis manufacturer.

Subp. 7. **Good standing.** "Good standing" means a person has a license or registration with a licensing board and is not subject to any restriction or oversight by the licensing board beyond others in the same class.

Subp. 8. **Health care practitioner.** "Health care practitioner" has the meaning given in Minnesota Statutes, section 152.22, subdivision 4.

Subp. 9. **Health record.** "Health record" has the meaning given in Minnesota Statutes, section 144.291, subdivision 2, paragraph (c).

Subp. 10. **Medical cannabis.** "Medical cannabis" has the meaning given in Minnesota Statutes, section 152.22, subdivision 6.

Subp. 11. **Medical cannabis manufacturer or manufacturer.** "Medical cannabis manufacturer" or "manufacturer" has the meaning given in Minnesota Statutes, section 152.22, subdivision 7.

Subp. 12. **Medical relationship.** "Medical relationship" means a treatment or counseling relationship, in the course of which the health care practitioner has completed a full assessment of the patient's medical history and current medical condition.

Subp. 13. **Minor.** "Minor" means an applicant who is under 18 years of age.

Subp. 14. **Parent or legal guardian.** "Parent or legal guardian" has the meaning given in Minnesota Statutes, section 152.27, subdivision 5.

Subp. 15. **Patient.** "Patient" has the meaning given in Minnesota Statutes, section 152.22, subdivision 9.

Subp. 15a. **Patient advocate.** "Patient advocate" means an individual with a knowledge of medical cannabis who promotes patient interests in safety, privacy, access, and affordability.

Subp. 15b. **Peace officer.** "Peace officer" has the meaning given in Minnesota Statutes, section 626.84, subdivision 1, paragraph (c).

Subp. 16. **Person.** "Person" means an individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, agency, state or political subdivision of a state, or a legal successor, representative, agent, or agency of the person. Person does not include federal government agencies.

Subp. 17. **Qualifying medical condition.** "Qualifying medical condition" has the meaning given in Minnesota Statutes, section 152.22, subdivision 14.

Subp. 18. **Qualifying patient.** "Qualifying patient" means a resident of Minnesota who has been diagnosed by a health care practitioner as having a qualifying medical condition.

Subp. 19. **Registered.** "Registered" means licensed, permitted, or otherwise certified by the commissioner.

Subp. 20. **Registered designated caregiver.** "Registered designated caregiver" has the meaning given in Minnesota Statutes, section 152.22, subdivision 11.

Subp. 21. **Registry program.** "Registry program" has the meaning given in Minnesota Statutes, section 152.22, subdivision 12.

Subp. 22. **Registry verification.** "Registry verification" has the meaning given in Minnesota Statutes, section 152.22, subdivision 13.

Subp. 22a. **Serious adverse incident.** "Serious adverse incident" means any adverse incident that results in or would lead to one of these outcomes without medical intervention:

- A. in-patient hospitalization or additional hospital time for a patient who is already hospitalized;
- B. persistent or significant disability or incapacity;
- C. a life-threatening situation; or
- D. death.

Subp. 23. **Telehealth.** "Telehealth" means the practice of medicine as defined in Minnesota Statutes, section 147.081, subdivision 3, when the health care practitioner is not in the physical presence of the patient.

Subp. 24. **Therapeutic use.** "Therapeutic use" means the acquisition, possession, preparation, use, delivery, transfer, or transportation of medical cannabis or paraphernalia relating to the administration of medical cannabis to treat or alleviate a qualifying patient's qualifying medical condition or symptoms or results of treatment associated with the qualifying patient's qualifying medical condition.

Subp. 25. **Transport.** "Transport" means the movement of medical cannabis products from a manufacturer's distribution site to the residence of a registered qualified patient, or as otherwise provided by law.

Subp. 26. **Written certification.** "Written certification" means a document signed by a health care practitioner, with whom the patient has established a patient-provider relationship, which states that the patient has a qualifying medical condition and identifies that condition and any other relevant information required by Minnesota Statutes, section 152.28, subdivision 1.

4770.4003 PROCESS FOR ADDING A QUALIFYING MEDICAL CONDITION OR DELIVERY METHOD.

Subpart 1. **Condition added by commissioner.** The commissioner may periodically revise the list of qualified medical conditions eligible for treatment with medical cannabis.

A. Revisions to the list must reflect:

- (1) advances in medical science;
- (2) evidence-based medicine and other peer-reviewed research demonstrating treatment efficacy; or
- (3) other therapeutic factors that will improve patient care.

B. In determining whether a condition qualifies, the commissioner must consider the adequacy of available evidence that medical cannabis will provide relief and the report of the Medical Cannabis Review Panel established in subpart 3.

Subp. 2. **Requests for adding a condition.** Any person may request the commissioner to add a qualifying medical condition not listed in Minnesota Statutes, section 152.22, subdivision 14, to the list by applying on a form provided by the commissioner. Requests under this subpart will be accepted beginning June 1, 2016.

A. The commissioner shall only accept requests during June and July of each year and will dismiss requests received outside of this period.

B. The commissioner must post notice on the department's medical cannabis website by May 1 each year, announcing the open period for accepting requests and describing the procedure for submitting requests.

C. Each request must be limited to one proposed qualifying medical condition. The commissioner must dismiss a request if it contains multiple proposals.

D. The commissioner must dismiss a request to add a medical condition that has been previously considered and rejected by the commissioner, unless the request contains new scientific evidence or research or describes substantially different symptoms.

E. If the commissioner dismisses a timely request, the commissioner must notify the person making the request of the reason that the request was dismissed.

F. The commissioner must forward the request to the review panel for review unless the request is dismissed.

G. The commissioner must provide the review panel with a review of evidence-based medicine and other peer-reviewed research demonstrating treatment efficacy for the requested condition.

Subp. 3. The Medical Cannabis Review Panel.

A. The commissioner must appoint a Medical Cannabis Review Panel composed of seven members, including at least one medical cannabis patient advocate and two health care practitioners, one with expertise in pediatric medicine.

B. The Medical Cannabis Review Panel must review requests submitted under subpart 2 and report to the commissioner on the public health impacts, including therapeutic factors and known potential risks, of the proposed additional medical conditions.

C. Members serve a three-year term or until a successor is appointed and qualified. If a vacancy occurs, the commissioner must appoint a replacement to complete the original term created by the vacancy.

D. Members may serve multiple terms.

E. Members must not hold a direct or indirect economic interest in a registered medical cannabis manufacturer or serve on the board of directors or as an employee of a registered medical cannabis manufacturer.

F. Members must disclose all potential conflicts of interest having a direct bearing on any subject before the review panel.

Subp. 4. Review panel meetings.

A. The Medical Cannabis Review Panel must meet at least one time per year to:

(1) review requests that the commissioner has received for the approval of proposed qualifying medical conditions;

(2) review the status of those medical conditions for which the commissioner has deferred approval or rejection; and

(3) review new medical and scientific evidence about current qualifying medical conditions.

B. The commissioner must post a notice on the department's medical cannabis website at least 30 calendar days before a review panel meeting. Notice must include the date, time, and location of the meeting, a brief description of the requests received, and information on how public comment will be received, including a deadline, if any.

C. The Medical Cannabis Review Panel must submit a written report to the commissioner by November 1 after conducting the public meeting. The written report must include potential public health benefits and risks of adding or rejecting the proposed qualifying medical condition.

Subp. 5. Commissioner review.

A. Upon receiving the Medical Cannabis Review Panel's report, the commissioner must render a decision by December 1 and must:

(1) approve the request and forward the medical condition as required by item C; or

(2) reject the medical condition.

B. The commissioner must communicate the commissioner's decision to the requesting party along with the reasons for the decision and publish the decision on the department's medical cannabis website by December 1.

C. The commissioner must forward a newly approved qualifying medical condition to the chairs and ranking minority members of the legislative policy committees having jurisdiction over health and public safety by January 15 as required by Minnesota Statutes, section 152.27, subdivision 2. If the legislature does not provide otherwise by law, the commissioner must publish the newly approved qualifying medical condition in the State

Register and on the department's medical cannabis website before its August 1 effective date.

Subp. 6. **Requests for adding a delivery method.** Any person may request that the commissioner add a delivery method not listed in Minnesota Statutes, section 152.22, subdivision 6, to the list by applying on a form provided by the commissioner. Requests under this subpart will be accepted beginning June 1, 2016.

A. The commissioner shall only accept requests during June and July of each year and will dismiss requests received outside of this period.

B. The commissioner must post notice on the department's medical cannabis website by May 1 each year, announcing the open period for accepting requests and describing the procedure for submitting requests.

C. The commissioner must post the request to add a delivery method, along with information about how to submit public comment on the department's medical cannabis website. The commissioner must allow at least 30 days for public comment.

D. Each request must be limited to one proposed delivery method. The commissioner must dismiss a request if it contains multiple proposals.

E. The commissioner must dismiss a request to add a delivery method that has been previously considered and rejected by the commissioner, unless the request contains new scientific evidence or research or describes substantially different therapeutic benefits.

F. If the commissioner dismisses a timely request, the commissioner must notify the person making the request of the reason that the request was dismissed.

G. The commissioner must consider the request and any written comments from the public. The commissioner must render a decision by December 1, and must:

(1) approve the request and forward the delivery method to be added as required by item I; or

(2) reject the delivery method.

H. The commissioner must communicate the commissioner's decision to the requesting party along with the reasons for the decision.

I. The commissioner must forward an approved delivery method to be added to the chairs and ranking minority members of the legislative policy committees having jurisdiction over health and public safety by January 15 as required by Minnesota Statutes, section 152.27, subdivision 2, and if the legislature does not provide otherwise by law, publish the addition in the State Register and on the department's medical cannabis website.

4770.4004 SERIOUS ADVERSE INCIDENT REPORTING.

Subpart 1. Reporting requirements.

A. Persons who must report any serious adverse incident are:

(1) a registered patient;

(2) a registered patient's certifying health care practitioner;

(3) a patient's registered designated caregiver; or

(4) a patient's parent or legal guardian, if the parent or legal guardian is acting as caregiver.

B. Reporters named in item A must report to the manufacturer where the patient's medical cannabis was dispensed within five business days of the reporter's learning of the incident.

C. A peace officer must report any serious adverse incident relating to overdose and any case of diversion involving an adverse incident within five business days of the incident by calling the general telephone number of the Office of Medical Cannabis. If part of an ongoing investigation, the report must be made within 72 hours of the conclusion of the investigation.

Subp. 2. Manufacturer requirements.

A. Each manufacturer must:

(1) maintain a toll-free telephone line, which must be available 24 hours a day, seven days a week, that is staffed by professionals who are health care practitioners or state-licensed pharmacists trained in detecting, assessing, understanding, and preventing adverse effects or any other drug-related problem;

(2) provide a method, approved by the commissioner, for reporting serious adverse incidents online;

(3) monitor manufacturer-sponsored social media pages and websites routinely;

(4) post instructions for reporting suspected adverse incidents and unauthorized possession on its website; and

(5) make printed instructions for reporting suspected adverse incidents available at all its distribution sites.

B. Each manufacturer must follow up serious adverse incident reports and document all follow-up activities. The manufacturer must continue to follow up reports until the outcome has been established or the subject's condition is stabilized.

C. For adverse incident information collected, the manufacturer must:

(1) document it on a form provided by the commissioner;

(2) classify it using Medical Dictionary for Regulatory Activities (MedDRA) coding; and

(3) store it in a database that complies with general validation principles in the United States Food and Drug Administration's Electronic Records; Electronic Signatures, Code of Federal Regulations, title 21, part 11.

Subp. 3. Manufacturer reports.

A. By the fifth day of every month, a medical cannabis manufacturer must compile and submit to the commissioner all adverse incident reports received in the prior calendar month.

B. Within ten business days of learning of an adverse incident, the manufacturer must report to the commissioner:

(1) any adverse incident that, based on reasonable medical judgment, might have resulted in a serious adverse incident without intervention or medical treatment; or

(2) a case of diversion resulting in an adverse incident.

C. On August 1 of every year beginning in 2016, each manufacturer must submit to the commissioner a report that contains a summary and a critical analysis of all reported adverse incidents reported to the manufacturer over the past July 1 to June 30.

4770.4005 REGISTRY ENROLLMENT APPLICATION FOR QUALIFYING PATIENTS.

Subpart 1. Patient application.

A. A patient or the patient's parent or legal guardian must apply for the registry and sign a disclosure on forms provided by the commissioner that meet the requirements of Minnesota Statutes, section 152.27, subdivision 3.

B. A patient must provide proof of the patient's Minnesota residency. If the patient is a minor, the patient's parent or legal guardian must provide proof of the parent or legal guardian's Minnesota residency. Proof of Minnesota residency can be established with:

(1) a copy of a Minnesota driver's license, learner's permit, or identification card; or

(2) a copy of a state, federal, or tribal government-issued photo identification card and at least one form of other documentation that contains the name and current address of the patient, or the patient's parent or legal guardian and indicates Minnesota residency, such as:

(a) a current residential mortgage, lease, or rental agreement;

(b) state tax documents from the previous calendar year;

(c) a utility bill issued within the previous 90 days of the date of the application;

(d) a rent or mortgage payment receipt dated less than 90 days before application;

(e) a Social Security disability insurance statement, Supplemental Security Income benefits statement, or a medical claim or statement of benefits from a private insurance company or governmental agency that is issued less than 90 days before application; or

(f) an affidavit from a person who will act as a designated caregiver for the patient, or a person who is engaged in health services or social services, which states the affiant knows the patient and believes the patient resides in Minnesota.

C. A patient or the patient's parent or legal guardian must submit the nonrefundable annual enrollment fee specified in Minnesota Statutes, section 152.35.

Subp. 2. Application approval.

A. The commissioner must approve an applicant and enroll the patient in the medical cannabis registry if the commissioner determines that the application is complete and no basis for denial exists under Minnesota Statutes, section 152.27, subdivision 6.

B. When a qualifying patient is enrolled in the registry program, the commissioner must:

(1) issue a unique patient registry number; and

(2) notify:

(a) the qualifying patient, designated caregiver, or parent or legal guardian if applicable;

(b) the health care practitioner who completed the patient's written certification of a qualifying condition; and

(c) the registered manufacturers.

4770.4007 DESIGNATED CAREGIVER APPLICATION.

Subpart 1. **Application.** The designated caregiver must apply for registration on the form provided by the commissioner and submit to a background check, as required by Minnesota Statutes, section 152.27, subdivision 4, paragraph (b).

Subp. 2. **Application approval.** The commissioner must approve an applicant and register the designated caregiver if the commissioner determines that the application is complete and no basis for denial exists under Minnesota Statutes, section 152.27, subdivision 4.

4770.4008 RESPONSIBILITIES OF DESIGNATED CAREGIVERS.

A. A designated caregiver, or the patient's parent or legal guardian if the parent or legal guardian will be acting as a caregiver, must:

(1) notify the commissioner within 30 business days after any change to the information that the registered qualifying patient was previously required to submit to the commissioner, including if the patient becomes an inmate confined in a correctional institution or facility under the supervision of the Department of Corrections;

(2) notify the commissioner promptly by telephone and in writing within ten calendar days following the death of the designated caregiver's registered qualifying patient; and

(3) dispose of all unused medical cannabis using the methods described in part 4770.4012, within ten days of the patient's ceasing to be enrolled in the program for any reason, including death of the patient or product recall.

B. A designated caregiver, or the patient's parent or legal guardian if the parent or legal guardian will be acting as a caregiver, may:

(1) transport a registered qualifying patient to and from a licensed medical cannabis distribution facility;

(2) obtain and transport an adequate supply of medical cannabis from a licensed medical cannabis distribution site on behalf of the registered qualifying patient;

(3) prepare medical cannabis for self-administration by the registered qualifying patient; and

(4) administer medical cannabis to the registered qualifying patient.

C. A designated caregiver, or the patient's parent or legal guardian if the parent or legal guardian will be acting as a caregiver, may not:

(1) consume, by any means, medical cannabis that has been dispensed on behalf of a registered qualifying patient; or

(2) sell, provide, or otherwise divert medical cannabis that has been dispensed for a registered qualifying patient.

4770.4009 REVOCATION OR SUSPENSION OF A QUALIFYING PATIENT OR DESIGNATED CAREGIVER REGISTRATION.

Subpart 1. **Revocation of qualifying patient enrollment.** The commissioner may revoke the registration certificate of a qualifying patient under the provisions of Minnesota Statutes, section 152.27, subdivision 6, paragraph (d).

Subp. 2. **Suspension of qualifying patient enrollment.** The commissioner must suspend the registration of a qualifying patient under the following circumstances.

A. If the qualifying patient is incarcerated in a correctional institution or facility under the supervision of the Department of Corrections, the registration must be suspended for the term of incarceration.

B. If the qualifying patient provided false, misleading, or incorrect information to the commissioner, the patient's registration must be suspended until the information is corrected and the commissioner makes an eligibility determination.

C. If the qualifying patient, together with the qualifying patient's designated caregiver where applicable, obtains more than a 30-day supply of medical cannabis within a 23-day period and the commissioner has reason to believe the patient is abusing or diverting medical cannabis, the patient's registration must be suspended until the commissioner makes an eligibility determination.

Subp. 3. **Designated caregivers.** The commissioner must revoke the registration of a designated caregiver under the following circumstances:

A. the designated caregiver has a disqualifying felony offense conviction as defined in Minnesota Statutes, section 152.22, subdivision 3; or

B. the designated caregiver, together with the designated caregiver's patient, where applicable, obtains more than a 30-day supply of medical cannabis within a 23-day period and the commissioner has reason to believe the designated caregiver is abusing or diverting medical cannabis.

4770.4010 UNAUTHORIZED POSSESSION OF MEDICAL CANNABIS REPORTING.

A. A licensed peace officer must report to the commissioner any reasonable suspicion of an individual possessing medical cannabis who is not authorized to possess medical cannabis under Minnesota Statutes, sections 152.22 to 152.37. The officer must report the reasonable suspicion within 72 hours by completing a form on the department's medical cannabis website. If part of an ongoing investigation, the report must be made within 72 hours of the investigation's conclusion.

B. A licensed peace officer who reasonably suspects a person who is otherwise authorized to possess medical cannabis has violated a provision of Minnesota Statutes, section 152.23, must report the suspicion by completing a form on the department's medical cannabis website within 15 days of discovery of the occurrence.

4770.4012 DISPOSAL OF MEDICAL CANNABIS BY QUALIFYING PATIENTS AND DESIGNATED CAREGIVERS.

A. A qualifying patient or designated caregiver who is no longer registered with the medical cannabis patient registry must, within ten calendar days after the patient or caregiver ceases to be registered or eligible, dispose of any unused medical cannabis in their possession by one of the following methods by:

(1) depositing it with a medical cannabis distribution site located in Minnesota;
(2) depositing it with a law enforcement agency having local jurisdiction for destruction;

(3) disposing of the medical cannabis at a government recognized drug take-back program located in Minnesota; or

(4) rendering it nonrecoverable consistent with the commissioner's proper disposal instructions, which are available at the department's medical cannabis program website.

B. A qualifying patient or designated caregiver who is no longer registered with the medical cannabis patient registry must not transfer, share, give, sell, or deliver any unused medical cannabis in their possession to any other person, regardless of whether the person is participating in the medical cannabis patient registry program.

4770.4013 ANNUAL FEES.

Each patient application or renewal must be accompanied by the payment of an annual fee. Payment must be made by credit card, bank debit card, cashier's check, or personal check. Annual qualifying patient application fee and reduced fee for patients enrolled in the federal Social Security Disability Income (SSDI), the Supplemental Security Income (SSI) disability, or the medical assistance or MinnesotaCare programs are established in Minnesota Statutes, section 152.35. All fees are nonrefundable.

4770.4014 HEALTH CARE PRACTITIONER REQUIREMENTS.

Subpart 1. **Qualifications.** The commissioner must accept written certifications for the therapeutic use of medical cannabis only from health care practitioners who hold:

A. an active license, in good standing, under Minnesota Statutes, chapter 147, for physicians, under Minnesota Statutes, chapter 147A, for physician assistants, or Minnesota Statutes, sections 148.171 to 148.285, the Minnesota Nurse Practice Act, for advanced practice registered nurses; and

B. a DEA registration certificate.

Subp. 2. **Requirements.** Before issuing a written certification of qualifying condition, a health care practitioner must:

A. have a medical relationship between the health care practitioner and patient with a qualifying condition;

B. assess the patient's medical history and current medical condition, which includes:

(1) an in-person physical examination of the patient appropriate to confirm the diagnosis of a qualifying medical condition. This examination must not be performed by remote means, including telehealth or via the Internet; and

(2) developing a treatment plan for the patient;

C. communicate, as appropriate, with subspecialists also treating the registered patient; and

D. certify that the patient has been diagnosed as having a qualifying medical condition, as defined in Minnesota Statutes, section 152.22, subdivision 14.

Subp. 3. **Duties.** When the certifying health care practitioner receives notice from the commissioner that a qualifying patient has been enrolled in the registry program, the certifying health care practitioner must:

A. participate in the patient registry reporting system as established by the commissioner for each patient for whom the practitioner has written a certification of qualifying condition. A health care practitioner must transmit patient data as required by Minnesota Statutes, section 152.28, subdivision 1, paragraph (b);

B. be available to provide continuing treatment of the patient's qualifying medical condition;

C. maintain health records under part 4770.4017 for all patients for whom the practitioner has issued a written certification that supports the certification of a qualifying medical condition;

D. report health record data as requested by the commissioner under Minnesota Statutes, section 152.28, subdivision 1, paragraph (b);

E. make a copy of the records that support the certification of a qualifying medical condition available to the commissioner, and otherwise provide information to the commissioner upon request about the patient's qualifying medical condition, course of treatment, and pathological outcomes to ensure compliance with the act;

F. annually assess whether the registered qualifying patient continues to suffer from a qualifying medical condition and, if so, issue the patient a new certificate of that diagnosis; and

G. notify the commissioner, in a manner prescribed by the commissioner, in writing within 14 calendar days of learning of the death of a registered patient whose medical condition was certified by the health care practitioner.

4770.4015 WRITTEN CERTIFICATION OF QUALIFYING CONDITION.

A certifying health care practitioner must complete a written certification of a patient's qualifying medical condition on a form provided by the commissioner. The written certification must:

A. acknowledge that the qualifying patient is under the health care practitioner's care, either for the patient's primary care or for the qualifying medical condition;

B. confirm the patient's diagnosis of a qualifying medical condition, as defined in Minnesota Statutes, section 152.22, subdivision 14;

C. state whether a patient is developmentally or physically disabled and, as a result of the disability, is unable to self-administer medication or acquire medical cannabis from a distribution facility and requires a designated caregiver;

D. include any additional information the commissioner requests to assess the effectiveness of medical cannabis in treating the medical condition or symptoms;

E. contain an affirmation that the health care practitioner has:

(1) established a patient-provider relationship;

(2) conducted an in-person physical examination appropriate to confirm the diagnosis; and

(3) reviewed the patient's medical history to confirm the diagnosis within the health care practitioner's professional standards of practice; and

F. include the date the certification of a qualifying medical condition was made.

4770.4016 HEALTH CARE PRACTITIONER PROHIBITIONS.

A health care practitioner who has issued or intends to issue a written certification must not:

A. examine a qualifying patient to issue a written certification at a location where medical cannabis is manufactured, sold, or dispensed;

B. refer a patient to a manufacturer or distributor of medical cannabis;

C. refer a patient to a designated caregiver;

D. issue a written certification for the health care practitioner;

E. hold a financial interest in an enterprise that provides or distributes medical cannabis;

F. directly or indirectly accept, solicit, or receive anything of value from a manufacturer, employee of a manufacturer, or any other person associated with a manufacturing facility;

G. offer a discount or any other thing of value to a qualifying patient who uses or agrees to use a particular designated caregiver, distribution facility, or medical cannabis product; or

H. directly or indirectly benefit from a patient obtaining a written certification. Such prohibition does not prohibit a health care practitioner from charging an appropriate fee for the patient visit.

4770.4017 RECORDS MAINTAINED BY THE CERTIFYING HEALTH CARE PRACTITIONER.

Subpart 1. **Health records maintained.** The health care practitioner must maintain a health record for each patient for whom the health care practitioner has certified a qualifying medical condition. These records need not be maintained separately from the health care practitioner's established records for the ongoing medical relationship with the patient.

Subp. 2. **Contents.** The records must be legible, accurately reflect the patient's evaluation and treatment, and must include the following:

- A. the patient's name and dates of visits and treatments;
- B. the patient's case history as it relates to the qualifying condition;
- C. the patient's health condition as determined by the health care practitioner's examination and assessment;
- D. the results of all diagnostic tests and examinations as they relate to the qualifying condition; and any diagnosis resulting from the examination;
- E. the patient's plan of care, which must state with specificity the patient's condition, functional level, treatment objectives, medical orders, plans for continuing care, and modifications to that plan; and
- F. a list of drugs prescribed, administered and dispensed, and the quantity of the drugs.

Subp. 3. **Retention.** The health care practitioner must keep records for each qualifying patient for at least three years after the last patient visit, or seven years, whichever is greater.

4770.4018 REPORTS.

A participating health care practitioner must report health record data as requested by the commissioner under Minnesota Statutes, 152.28, subdivision 1, paragraph (b).

4770.4030 HEALTH CARE FACILITIES; STORAGE.

Subpart 1. **Storage policy.** A health care facility, as defined in Minnesota Statutes, section 152.34, may adopt policies relating to the secure storage of a registered patient's medical cannabis. Policies may include:

- A. secure storage with access limited to authorized personnel; or
- B. allowing patients, patients' registered designated caregivers, or patients' parents or legal guardians if listed on the registry verification, to maintain direct possession of the medical cannabis.

Subp. 2. **Return of items.** Upon discharge, transfer, or death of a patient registered to use medical cannabis, the health care facility must return all medical cannabis to the patient or another person authorized to possess it. If the health care facility is unable to return any remaining medical cannabis to the patient or other authorized person, it must destroy the medical cannabis in a manner consistent with instructions posted on the department's medical cannabis website. The transfer or destruction must be recorded in the patient's health record.