CHAPTER 31--S.F.No. 2370

An act relating to cannabis; including the Office of Cannabis Management as an agency for the purpose of having a government-to-government relationship with Tribal governments; modifying medical cannabis provisions; modifying provisions regarding the sale of cannabinoids derived from hemp; modifying the limits of certain cannabinoids in lower-potency hemp edibles; establishing a license and fee for lower-potency hemp edible wholesalers; providing for delivery of lower-potency hemp edibles; regulating certain products intended for export; modifying regulations on the transportation of cannabis and hemp; providing for cannabis testing facility accreditation; modifying labeling requirements; modifying cannabis license qualifications and application requirements; authorizing municipalities to hold cannabis and hemp licenses; allowing samples at cannabis events; modifying expungement and resentencing provisions for felony cannabis offenses; requiring a proposal to the legislature; making technical and conforming changes; amending Minnesota Statutes 2024, sections 10.65, subdivision 2; 151.72, subdivisions 3, 5a; 152.22, subdivisions 4, 7, 10, 13; 152.24; 152.25; 152.26; 152.261; 152.27, subdivisions 2, 7; 152.28, subdivisions 1, 3; 152.29, subdivisions 1, 2, 3a, 4; 152.31; 152.32, subdivision 2; 152.33, subdivisions 1a, 4; 152.35; 152.37; 342.01, subdivisions 9, 34, 47, 48, 50, 71, by adding subdivisions; 342.02, subdivision 3; 342.09, subdivision 2; 342.10; 342.11; 342.12; 342.13; 342.14, subdivisions 1, 3, 6; 342.151, subdivisions 2, 3; 342.16; 342.17; 342.18, subdivision 2; 342.22, subdivision 3, by adding a subdivision; 342.28, subdivisions 1, 8; 342.29, subdivisions 1, 7; 342.30, subdivision 1; 342.32, subdivisions 1, 4, 5; 342.33, subdivision 1; 342.34, subdivision 5; 342.36, subdivision 6; 342.37, subdivision 2, by adding subdivisions; 342.39, subdivision 3; 342.40, subdivision 7, by adding a subdivision; 342.43, subdivisions 1, 2, by adding a subdivision; 342.44, subdivision 1; 342.45, subdivision 1, by adding subdivisions; 342.46, subdivisions 1, 3, 4, 5, 6, 7, 8, 9, by adding subdivisions; 342.51, subdivision 2, by adding a subdivision; 342.515, subdivisions 1, 7; 342.52, subdivision 9, by adding a subdivision; 342.56, subdivision 2; 342.57; 342.59, subdivision 2; 342.61, subdivision 4; 342.62, subdivision 2; 342.63, subdivisions 2, 3, 5, 6; 342.66, subdivision 6; 609A.06, subdivisions 3, 7, 10, 12; proposing coding for new law in Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2024, sections 152.22, subdivision 2; 342.151, subdivision 1; 342.36, subdivision 5.

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

Section 1. Minnesota Statutes 2024, section 10.65, subdivision 2, is amended to read:

Subd. 2. **Definitions.** As used in this section, the following terms have the meanings given:

(1) "agency" means the Department of Administration; Department of Agriculture; Department of Children, Youth, and Families; Department of Commerce; Department of Corrections; Department of Education; Department of Employment and Economic Development; Department of Health; Office of Higher Education; Housing Finance Agency; Department of Human Rights; Department of Human Services; Department of Information Technology Services; Department of Iron Range Resources and Rehabilitation; Department of Labor and Industry; Minnesota Management and Budget; Bureau of Mediation Services; Department of Military Affairs; Metropolitan Council; Department of Natural Resources; Pollution Control Agency; Department of Public Safety; Department of Revenue; Department of Transportation; Department of Veterans Affairs; Direct Care and Treatment; Gambling Control Board; Racing Commission; the Minnesota

Lottery; the Animal Health Board; the Public Utilities Commission; ~~and~~ the Board of Water and Soil Resources; and the Office of Cannabis Management;

(2) "consultation" means the direct and interactive involvement of the Minnesota Tribal governments in the development of policy on matters that have Tribal implications. Consultation is the proactive, affirmative process of identifying and seeking input from appropriate Tribal governments and considering their interest as a necessary and integral part of the decision-making process. This definition adds to statutorily mandated notification procedures. During a consultation, the burden is on the agency to show that it has made a good faith effort to elicit feedback. Consultation is a formal engagement between agency officials and the governing body or bodies of an individual Minnesota Tribal government that the agency or an individual Tribal government may initiate. Formal meetings or communication between top agency officials and the governing body of a Minnesota Tribal government is a necessary element of consultation;

(3) "matters that have Tribal implications" means rules, legislative proposals, policy statements, or other actions that have substantial direct effects on one or more Minnesota Tribal governments, or on the distribution of power and responsibilities between the state and Minnesota Tribal governments;

(4) "Minnesota Tribal governments" means the federally recognized Indian Tribes located in Minnesota including: Bois Forte Band; Fond Du Lac Band; Grand Portage Band; Leech Lake Band; Mille Lacs Band; White Earth Band; Red Lake Nation; Lower Sioux Indian Community; Prairie Island Indian Community; Shakopee Mdewakanton Sioux Community; and Upper Sioux Community; and

(5) "timely and meaningful" means done or occurring at a favorable or useful time that allows the result of consultation to be included in the agency's decision-making process for a matter that has Tribal implications.

Sec. 2. Minnesota Statutes 2024, section 151.72, subdivision 3, is amended to read:

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

(b) A product containing nonintoxicating cannabinoids, other than an edible cannabinoid product, may be sold for human or animal consumption only if it is intended for application externally to a part of the body of a human or animal. Such a product must not be manufactured, marketed, distributed, or intended to be consumed:

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

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

(3) through injection or application to nonintact skin or a mucous membrane ~~or nonintact skin~~, except for products applied sublingually.

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 3. Minnesota Statutes 2024, section 151.72, subdivision 5a, is amended to read:

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

(b) An edible cannabinoid product must not:

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

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

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

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

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

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

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

(c) An edible cannabinoid product must be prepackaged in packaging or a container that is child-resistant, tamper-evident, and opaque or placed in packaging or a container that is child-resistant, tamper-evident, and

opaque at the final point of sale to a customer. The requirement that packaging be child-resistant does not apply to an edible cannabinoid product that is intended to be consumed as a beverage.

(d) If an edible cannabinoid product, other than a product that is intended to be consumed as a beverage, is intended for more than a single use or contains multiple servings, each serving must be indicated by scoring, wrapping, or other indicators designating the individual serving size that appear on the edible cannabinoid product. If it is not possible to indicate a single serving by scoring or use of another indicator that appears on the product, the edible cannabinoid product may not be packaged in a manner that includes more than a single serving in each container, except that a calibrated dropper, measuring spoon, or similar device for measuring a single serving, when sold with the product, may be used for any edible cannabinoid products that are intended to be combined with food or beverage products prior to consumption.

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

(1) the serving size;

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

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

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

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

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

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

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

Sec. 4. Minnesota Statutes 2024, section 152.22, subdivision 4, is amended to read:

Subd. 4. **Health care practitioner.** "Health care practitioner" means a ~~Minnesota licensed~~ Minnesota-licensed doctor of medicine, a ~~Minnesota licensed~~ Minnesota-licensed physician assistant acting within the scope of authorized practice, or a ~~Minnesota licensed~~ Minnesota-licensed advanced practice registered nurse who has an active license in good standing and the primary responsibility for the care and treatment of the qualifying medical condition of ~~a person~~ an individual diagnosed with a qualifying medical condition.

Sec. 5. Minnesota Statutes 2024, section 152.22, subdivision 7, is amended to read:

Subd. 7. **Medical cannabis manufacturer.** "Medical cannabis manufacturer" or "manufacturer" means an entity registered by the ~~commissioner~~ office to cultivate, acquire, manufacture, possess, prepare, transfer, transport, supply, or dispense medical cannabis, delivery devices, or related supplies and educational materials.

Sec. 6. Minnesota Statutes 2024, section 152.22, subdivision 10, is amended to read:

Subd. 10. **Patient registry number.** "Patient registry number" means a unique identification number assigned by the ~~commissioner~~ office to a patient enrolled in the registry program.

Sec. 7. Minnesota Statutes 2024, section 152.22, subdivision 13, is amended to read:

Subd. 13. **Registry verification.** "Registry verification" means the verification provided by the ~~commissioner~~ office 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.

Sec. 8. Minnesota Statutes 2024, section 152.24, is amended to read:

152.24 FEDERALLY APPROVED CLINICAL TRIALS.

The ~~commissioner~~ office 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~~ office 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.

Sec. 9. Minnesota Statutes 2024, section 152.25, is amended to read:

152.25 ~~COMMISSIONER~~ OFFICE DUTIES.

Subdivision 1. **Medical cannabis manufacturer registration.** (a) The ~~commissioner~~ office shall register two in-state manufacturers for the production of all medical cannabis within the state. A registration agreement between the ~~commissioner~~ office and a manufacturer is nontransferable. The ~~commissioner~~ office shall register new manufacturers or reregister the existing manufacturers by December 1 every two years, using the factors described in this subdivision. The ~~commissioner~~ office 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~~ office'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~~ office 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~~ office 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~~ office shall require each medical cannabis manufacturer to contract with an independent laboratory to test medical cannabis produced by the manufacturer. The ~~commissioner~~ office 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~~ office.

Subd. 1a. **Revocation or nonrenewal of a medical cannabis manufacturer registration.** If the ~~commissioner~~ office intends to revoke or not renew a registration issued under this section, the ~~commissioner~~ office 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~~ office in writing within 20 days after receipt of the notice of proposed action, the ~~commissioner~~ office 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~~ office's written notice of revocation.

Subd. 1b. **Temporary suspension proceedings.** The ~~commissioner~~ office 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 152.22 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~~ office 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 office shall review and publicly report the existing medical and scientific literature regarding the range of recommended dosages for each qualifying condition and the range of chemical compositions of any plant of the genus cannabis that will likely be medically beneficial for each of the qualifying medical conditions. The office shall make this information available to patients with qualifying medical conditions beginning December 1, 2014, and update the information every three years. The office may consult with the independent laboratory under contract with the manufacturer or other experts in reporting the range of recommended dosages for each qualifying medical condition, the range of chemical compositions that will likely be medically beneficial, and any risks of noncannabis drug interactions. The office shall consult with each manufacturer on an annual basis on medical cannabis offered by the manufacturer. The list of medical cannabis offered by a manufacturer shall be published on the Office of Cannabis Management website.

Subd. 3. **Deadlines.** The ~~commissioner~~ office 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~~ office 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~~ Cannabis Advisory Council under section 342.03 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~~ office 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.

Sec. 10. Minnesota Statutes 2024, section 152.26, is amended to read:

152.26 RULEMAKING.

(a) The ~~commissioner~~ office 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~~ office 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.

Sec. 11. Minnesota Statutes 2024, section 152.261, is amended to read:

152.261 RULES; ADVERSE INCIDENTS.

(a) The ~~commissioner of health~~ office 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~~ office 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~~ office.

(c) Rules must include the method by which the ~~commissioner~~ office will collect and tabulate reports of unauthorized possession and overdose.

Sec. 12. Minnesota Statutes 2024, section 152.27, subdivision 2, is amended to read:

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

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

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

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

(4) create and provide a certification to be used by a health care practitioner for the practitioner to certify whether a patient has been diagnosed with a qualifying medical condition;

(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 office may contract with a third party to complete the requirements of this clause. Any reports submitted must comply with section 152.28, subdivision 2.

(b) The office may add a delivery method under section 152.22, subdivision 6, upon a petition from a member of the public or the Cannabis Advisory Council under section 342.03 or as directed by law. If the office wishes to add a delivery method under section 152.22, subdivision 6, the office must notify the chairs and ranking minority members of the legislative policy committees having jurisdiction over health and public safety of the addition and the reasons for its addition, including any written comments received by the office from the public and any guidance received from the Cannabis Advisory Council under section 342.03, by January 15 of the year in which the office wishes to make the change. The change shall be effective on August 1 of that year, unless the legislature by law provides otherwise.

Sec. 13. Minnesota Statutes 2024, section 152.27, subdivision 7, is amended to read:

Subd. 7. **Notice requirements.** Patients and registered designated caregivers shall notify the ~~commissioner~~ office of any address or name change within 30 days of the change having occurred. A patient or registered designated caregiver is subject to a $100 fine for failure to notify the ~~commissioner~~ office of the change.

Sec. 14. Minnesota Statutes 2024, section 152.28, subdivision 1, is amended to read:

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

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

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

(3) provide explanatory information from the office 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 office; and provide patients with the Tennessen warning as required by section 13.04, subdivision 2; and

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

(b) Upon notification from the office 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 office;

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

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

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

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

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

Sec. 15. Minnesota Statutes 2024, section 152.28, subdivision 3, is amended to read:

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~~ office 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~~ office 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~~ office's decision that a health care practitioner has violated this subdivision is a final decision of the ~~commissioner~~ office and is not subject to the contested case procedures in chapter 14.

Sec. 16. Minnesota Statutes 2024, section 152.29, subdivision 1, is amended to read:

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~~ office 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~~ office. 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~~ office, subject to any additional requirements set by the ~~commissioner~~ office, 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:

(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~~ office.

(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~~ office.

(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~~ office.

(l) A manufacturer shall comply with reasonable restrictions set by the ~~commissioner~~ office 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~~ office 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.

Sec. 17. Minnesota Statutes 2024, section 152.29, subdivision 2, is amended to read:

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~~ office 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.

Sec. 18. Minnesota Statutes 2024, section 152.29, subdivision 3a, is amended to read:

Subd. 3a. **Transportation of medical cannabis; transport 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~~ office.

(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.

(c) A medical cannabis manufacturer may contract with a third party for armored car services for deliveries of medical cannabis from its production facility to distribution facilities. A medical cannabis manufacturer that contracts for armored car services remains responsible for the transportation manifest and inventory tracking requirements in rules adopted by the ~~commissioner~~ office.

(d) ~~Department of Health~~ Office staff may transport medical cannabis for the purposes of delivering medical cannabis and other samples to a laboratory for testing under rules adopted by the ~~commissioner~~ office and in cases of special investigations when the ~~commissioner~~ office has determined there is a potential threat to public health. The transport motor vehicle must be staffed with a minimum of two ~~Department of Health~~ office employees. The employees must carry with them their ~~Department of Health~~ office identification card and a transport manifest.

Sec. 19. Minnesota Statutes 2024, section 152.29, subdivision 4, is amended to read:

Subd. 4. **Report.** (a) Each manufacturer shall report to the ~~commissioner~~ office 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.

(b) For transactions involving Tribal medical cannabis program patients, each manufacturer shall report to the ~~commissioner~~ office on a weekly basis the following information on each individual Tribal medical cannabis program patient for the week prior to the report:

(1) the name of the Tribal medical cannabis program in which the Tribal medical cannabis program patient is enrolled;

(2) the amount and dosages of medical cannabis distributed;

(3) the chemical composition of the medical cannabis distributed; and

(4) the tracking number assigned to the medical cannabis distributed.

Sec. 20. Minnesota Statutes 2024, section 152.31, is amended to read:

152.31 DATA PRACTICES.

(a) Government data in patient files maintained by the ~~commissioner~~ office 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~~ office and a medical cannabis manufacturer under section 152.25.

(b) Not public data maintained by the ~~commissioner~~ office 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~~ office 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.

Sec. 21. Minnesota Statutes 2024, section 152.32, subdivision 2, is amended to read:

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; 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; or use or possession of medical cannabis or medical cannabis products by a Tribal medical cannabis program patient;

(2) possession, dosage determination, or sale of medical cannabis or medical cannabis products by a medical cannabis manufacturer, employees of a manufacturer, a Tribal medical cannabis program manufacturer, employees of a Tribal medical cannabis program 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~~ office, members of a Tribal medical cannabis board, the ~~commissioner's~~ office's or Tribal medical cannabis board's staff, the ~~commissioner's~~ office's or Tribal medical cannabis board's agents or contractors, and any health care practitioner are not subject to any civil or disciplinary penalties

by the Board of Medical Practice, the Board of Nursing, or by any business, occupational, or professional licensing board or entity, solely for participation in the registry program under sections 152.22 to 152.37 or in a Tribal medical cannabis program. 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~~ office, 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~~ office 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 or from a Tribal medical cannabis program patient 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, a Tribal court, or the 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, or for providing legal assistance to a Tribal medical cannabis program or a Tribal medical cannabis program manufacturer.

(j) The following do not constitute probable cause or reasonable suspicion, and shall not be used to support a search of the person or property of the person possessing or applying for the registry verification or equivalent, or otherwise subject the person or property of the person to inspection by any governmental agency:

(1) possession of a registry verification or application for enrollment in the registry program by a person entitled to possess a registry verification or apply for enrollment in the registry program; or

(2) possession of a verification or equivalent issued by a Tribal medical cannabis program or application for enrollment in a Tribal medical cannabis program by a person entitled to possess such a verification or application.

Sec. 22. Minnesota Statutes 2024, section 152.33, subdivision 1a, is amended to read:

Subd. 1a. **Intentional diversion outside the state; penalties.** (a) In addition to any other applicable penalty in law, the ~~commissioner~~ office 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.

Sec. 23. Minnesota Statutes 2024, section 152.33, subdivision 4, is amended to read:

Subd. 4. **Submission of false records; criminal penalty.** A person who knowingly submits false records or documentation required by the ~~commissioner~~ office 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.

Sec. 24. Minnesota Statutes 2024, section 152.35, is amended to read:

152.35 FEES; DEPOSIT OF REVENUE.

(a) The ~~commissioner~~ office 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.

(b) The ~~commissioner~~ office 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.

(c) 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.

Sec. 25. Minnesota Statutes 2024, section 152.37, is amended to read:

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~~ office, and shall keep all records updated and accessible to the ~~commissioner~~ office when requested.

Subd. 2. **Certified annual audit.** A medical cannabis manufacturer shall submit the results of an annual certified financial audit to the ~~commissioner~~ office 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 ~~commissioner~~ office. The ~~commissioner~~ office may also require another audit of the medical cannabis manufacturer by a certified public accountant chosen by the ~~commissioner~~ office with the costs of the audit paid by the medical cannabis manufacturer.

Subd. 3. **Power to examine.** (a) The ~~commissioner~~ office 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~~ office 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~~ office 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~~ office may not be the same certified public accountant providing the certified annual audit in subdivision 2.

(d) The ~~commissioner~~ office shall make a report of an examination conducted under this section and provide a copy to the medical cannabis manufacturer. The ~~commissioner~~ office 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~~ office or any other person in the course of an examination, other than the information contained in any ~~commissioner~~ office official report, made under this section are private data on individuals or nonpublic data, as defined in section 13.02.

Sec. 26. Minnesota Statutes 2024, section 342.01, subdivision 9, is amended to read:

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

(1) a cannabis business; or

(2) a lower-potency hemp edible manufacturer.

Sec. 27. Minnesota Statutes 2024, section 342.01, subdivision 34, is amended to read:

Subd. 34. **Hemp business.** (a) "Hemp business" means ~~either~~ any of the following licensed under this chapter:

(1) lower-potency hemp edible manufacturer; ~~or~~

(2) lower-potency hemp edible wholesaler; or

~~(2)~~ (3) lower-potency hemp edible retailer.

(b) Hemp business does not include a person or entity licensed under chapter 18K to grow industrial hemp for commercial or research purposes or to process industrial hemp for commercial purposes.

Sec. 28. Minnesota Statutes 2024, section 342.01, subdivision 47, is amended to read:

Subd. 47. **Labor peace agreement.** "Labor peace agreement" means an agreement between a cannabis business and a bona fide labor organization or an agreement between a lower-potency hemp edible manufacturer and a bona fide labor organization that protects the state's interests by, at minimum, prohibiting

the labor organization from engaging in picketing, work stoppages, or boycotts against the cannabis business or lower-potency hemp edible manufacturer.

Sec. 29. Minnesota Statutes 2024, section 342.01, subdivision 48, is amended to read:

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

(1) cannabis microbusiness;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service;

(11) lower-potency hemp edible manufacturer;

(12) lower-potency hemp edible wholesaler;

~~(12)~~ (13) lower-potency hemp edible retailer; or

~~(13)~~ (14) medical cannabis combination business.

Sec. 30. Minnesota Statutes 2024, section 342.01, subdivision 50, is amended to read:

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

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

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

(3) is not a drug;

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

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

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

(b) A lower-potency hemp edible includes:

(1) a product that:

(i) is not intended to be consumed as a beverage and consists of servings that contain no more than five milligrams of delta-9 tetrahydrocannabinol; is intended to be consumed as a beverage and contains no more than ten milligrams of delta-9 tetrahydrocannabinol in a single container; is intended to be consumed in any approved manner and consists of servings or a container that contain no more than ~~25~~ 100 milligrams of cannabidiol, cannabigerol, cannabinol, or cannabichromene; is intended to be consumed in any approved manner and contains no more than the established limit of any other cannabinoid authorized by the office; or is intended to be consumed in any approved manner and contains any combination of those cannabinoids that does not exceed the identified amounts for the applicable product category;

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

(iii) does not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol, except that a product may include artificially derived cannabinoids created during the process of creating the delta-9 tetrahydrocannabinol that is added to the product, if no artificially derived cannabinoid is added to the ingredient containing delta-9 tetrahydrocannabinol and the ratio of delta-9 tetrahydrocannabinol to all other artificially derived cannabinoids is no less than 20 to one; or

(2) a product that:

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

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

Sec. 31. Minnesota Statutes 2024, section 342.01, is amended by adding a subdivision to read:

Subd. 54a. **Medical cannabis paraphernalia.** "Medical cannabis paraphernalia" means a delivery device, related supply, or educational material used by a patient enrolled in the registry program to administer medical cannabis and medical cannabinoid products.

Sec. 32. Minnesota Statutes 2024, section 342.01, is amended by adding a subdivision to read:

Subd. 69c. **Tribal medical cannabis board.** "Tribal medical cannabis board" means an agency established by a federally recognized Tribal government and authorized by the Tribe's governing body to provide regulatory oversight and monitor compliance with a Tribal medical cannabis program and applicable regulations.

Sec. 33. Minnesota Statutes 2024, section 342.01, is amended by adding a subdivision to read:

Subd. 69d. **Tribal medical cannabis program.** "Tribal medical cannabis program" means a program established by a federally recognized Tribal government within the boundaries of Minnesota that involves the commercial production, processing, sale or distribution, and possession of medical cannabis and medical cannabis products.

Sec. 34. Minnesota Statutes 2024, section 342.01, is amended by adding a subdivision to read:

Subd. 69e. **Tribal medical cannabis program patient.** "Tribal medical cannabis program patient" means a person who possesses a valid registration verification card or equivalent document that is issued under the laws or regulations of a Tribal Nation within the boundaries of Minnesota. A valid registration verification card must verify that the card holder is enrolled in or authorized to participate in a Tribal medical cannabis program.

Sec. 35. Minnesota Statutes 2024, section 342.01, subdivision 71, is amended to read:

Subd. 71. **Visiting patient.** "Visiting patient" means an individual who is not a Minnesota resident and who possesses a valid registration verification card or its equivalent that is issued under the laws or regulations of another state, district, commonwealth, or territory of the United States verifying that the individual is enrolled in or authorized to participate in that jurisdiction's medical cannabis or medical marijuana program or in a Tribal medical cannabis program.

Sec. 36. Minnesota Statutes 2024, section 342.02, subdivision 3, is amended to read:

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

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

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

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

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

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

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

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

Sec. 37. Minnesota Statutes 2024, section 342.09, subdivision 2, is amended to read:

Subd. 2. **Home cultivation of cannabis for personal adult use.** (a) Up to eight cannabis plants, with no more than four being mature, flowering plants may be grown at a single residence, including the curtilage

or yard, without a license to cultivate cannabis issued under this chapter provided that cultivation takes place at the primary residence of an individual 21 years of age or older and in an enclosed, locked space that is not open to public view.

(b) Pursuant to section 342.52, subdivision 9, paragraph (d), a registered designated caregiver may cultivate up to eight cannabis plants for not more than one patient household. In addition to eight cannabis plants for one patient household, a registered designated caregiver may cultivate up to eight cannabis plants for the caregiver's personal adult use of cannabis. Of the 16 or fewer total cannabis plants being grown in the registered caregiver's residence, no more than eight may be mature, flowering plants.

Sec. 38. Minnesota Statutes 2024, section 342.10, is amended to read:

342.10 LICENSES; TYPES.

The office shall issue the following types of license:

(1) cannabis microbusiness;

(2) cannabis mezzobusiness;

(3) cannabis cultivator;

(4) cannabis manufacturer;

(5) cannabis retailer;

(6) cannabis wholesaler;

(7) cannabis transporter;

(8) cannabis testing facility;

(9) cannabis event organizer;

(10) cannabis delivery service;

(11) lower-potency hemp edible manufacturer;

(12) lower-potency hemp edible wholesaler;

~~(12)~~ (13) lower-potency hemp edible retailer; and

~~(13)~~ (14) medical cannabis combination business.

Sec. 39. Minnesota Statutes 2024, section 342.11, is amended to read:

342.11 LICENSES; FEES.

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

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

(1) for a cannabis microbusiness:

(i) an application fee of $500;

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

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

(2) for a cannabis mezzobusiness:

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

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

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

(3) for a cannabis cultivator:

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

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

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

(4) for a cannabis manufacturer:

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

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

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

(5) for a cannabis retailer:

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

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

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

(6) for a cannabis wholesaler:

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

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

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

(7) for a cannabis transporter:

(i) an application fee of $250;

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

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

(8) for a cannabis testing facility:

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

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

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

(9) for a cannabis delivery service:

(i) an application fee of $250;

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

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

(10) for a cannabis event organizer:

(i) an application fee of $750; and

(ii) an initial license fee of $750;

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

(i) an application fee of $250;

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

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

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

(i) an application fee of $250;

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

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

~~(12)~~ (13) for a lower-potency hemp edible retailer:

(i) an application fee of $250 or, if the lower-potency hemp retailer operates more than one retail location, $250 per retail location;

(ii) an initial license fee of $250 or, if the lower-potency hemp retailer operates more than one retail location, $250 per retail location; and

(iii) a renewal license fee of $250 or, if the lower-potency hemp retailer operates more than one retail location, $250 per retail location; and

~~(13)~~ (14) for a medical cannabis combination business:

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

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

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

Sec. 40. Minnesota Statutes 2024, section 342.12, is amended to read:

342.12 LICENSES; TRANSFERS; ADJUSTMENTS.

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

(b) Licenses issued as social equity licenses pursuant to either section 342.14, subdivision 1b, paragraph (b), or section 342.175, paragraph (b), may only be transferred to another social equity applicant for three years after the date on which the office issues the license. Three years after the date of issuance, a license holder may transfer a license to any entity. Transfer of a license that was issued as a social equity license must be reviewed by the Division of Social Equity and is subject to the prior written approval of the office.

(c) Preliminary license ~~preapproval~~ approval issued pursuant to section ~~342.125~~ 342.14, subdivision 5, may not be transferred.

(d) A new license must be obtained when:

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

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

(e) Licenses must be renewed annually.

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

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

Sec. 41. Minnesota Statutes 2024, section 342.13, is amended to read:

342.13 LOCAL CONTROL.

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

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

(c) A local unit of government may adopt reasonable restrictions on the time, place, and manner of the operation of a cannabis business provided that such restrictions do not prohibit the establishment or operation of cannabis businesses. A local unit of government may prohibit the operation of a cannabis business within

1,000 feet of a school, or 500 feet of a day care, residential treatment facility, or an attraction within a public park that is regularly used by minors, including a playground or athletic field.

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

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

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

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

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

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

(g) The office by rule shall establish an expedited complaint process to receive, review, and respond to complaints made by a local unit of government about a cannabis business. At a minimum, the expedited complaint process shall require the office to provide an initial response to the complaint within seven days and perform any necessary inspections within 30 days. Nothing in this paragraph prohibits a local unit of government from enforcing a local ordinance. If a local unit of government notifies the office that a cannabis business other than a cannabis retailer, cannabis microbusiness ~~or,~~ cannabis mezzobusiness or lower-potency hemp edible retailer with a retail operations endorsement~~, lower-potency hemp edible retailer~~, or medical cannabis combination business operating a retail location poses an immediate threat to the health or safety of the public, the office must respond within one business day and may take any action described in section 342.19 or 342.21.

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

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

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

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

Sec. 42. Minnesota Statutes 2024, section 342.14, subdivision 1, is amended to read:

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

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

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

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

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

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

(6) a copy of the security plan, including security monitoring, security equipment, and facility maps if applicable, except an applicant is not required to secure a physical premises for the business at the time of application;

(7) proof of trade name registration;

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

(9) standard operating procedures for:

(i) quality assurance;

(ii) inventory control, storage, and diversion prevention; and

(iii) accounting and tax compliance;

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

(11) a description of any training and education that the applicant will provide to employees of the business;

(12) a disclosure of any violation of a license agreement or a federal, state, or local law or regulation committed by the applicant or any true party of interest in the applicant's business that is relevant to business and working conditions;

(13) certification that the applicant will comply with the requirements of this chapter;

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

(15) a statement that the applicant agrees to respond to the office's supplemental requests for information; ~~and~~

(16) a release of information for the applicant and every true party of interest in the applicant's business license for the office to perform the background checks required under section 342.15~~.~~;

(17) proof that the applicant is a social equity applicant; and

(18) an attestation that the applicant's business policies governing business operations comply with this chapter.

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

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

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

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

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

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

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

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

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

~~(c) An application may include:~~

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

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

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

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

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

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

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

Sec. 43. Minnesota Statutes 2024, section 342.14, subdivision 3, is amended to read:

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

(b) The office may deny an application if:

(1) the application is incomplete;

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

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

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

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

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

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

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

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

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

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

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

Sec. 44. Minnesota Statutes 2024, section 342.14, subdivision 6, is amended to read:

Subd. 6. **Completed application; final authorization; issuance of license.** (a) Within 18 months of receiving notice of preliminary license approval, an applicant must provide:

(1) the address and legal property description of the location where the business will operate;

(2) the name of the local unit of government where the business will be located; and

(3) if applicable, an updated description of the location where the business will operate, an updated security plan, and any other additional information required by the office.

(b) Upon receipt of the information required under paragraph (a) from an applicant that has received preliminary license approval, the office must:

(1) forward a copy of the application to the local unit of government in which the business operates or intends to operate with a form for certification as to whether a proposed cannabis business complies with local zoning ordinances and, if applicable, whether the proposed business complies with the state fire code and building code;

(2) schedule a site inspection; and

(3) require the applicant to pay the applicable license fee.

(c) The office may deny final authorization if:

(1) an applicant fails to submit any required information;

(2) the applicant submits a materially false statement about the applicant or fails to provide any required information;

(3) the office confirms that the cannabis business for which the office granted a preliminary license ~~preapproval~~ approval does not meet local zoning and land use laws;

(4) the applicant fails to pay the applicable license fee; or

(5) the office determines that the applicant is disqualified from holding the license or would operate in violation of the provisions of this chapter.

(d) Within 90 days of receiving the information required under paragraph (a) and the results of any required background check, the office shall grant final authorization and issue the appropriate license or send the applicant a notice of rejection setting forth specific reasons that the office did not approve the application.

Sec. 45. Minnesota Statutes 2024, section 342.151, subdivision 2, is amended to read:

Subd. 2. **Criminal history check.** A ~~license holder~~ cannabis business may employ or contract with as many unlicensed individuals as may be necessary, provided that the ~~license holder~~ cannabis business is at all times accountable for the good conduct of every individual employed by or contracted with the ~~license holder~~ cannabis business. Before hiring an individual as a cannabis worker, the ~~license holder~~ cannabis business must submit to the Bureau of Criminal Apprehension the individual's full set of fingerprints and written consent for the bureau to conduct a state and national criminal history check. The bureau may exchange an individual's fingerprints with the Federal Bureau of Investigation. The Bureau of Criminal Apprehension must determine whether the individual is qualified to be employed as a cannabis worker and must notify the ~~license holder~~ cannabis business of the bureau's determination. The ~~license holder~~ cannabis business must not employ an individual who is disqualified from being employed as a cannabis worker.

Sec. 46. Minnesota Statutes 2024, section 342.151, subdivision 3, is amended to read:

Subd. 3. **Disqualification.** (a) A ~~license holder~~ cannabis business must not employ an individual as a cannabis worker if the individual has been convicted of any of the following crimes that would constitute a felony:

(1) human trafficking;

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

(3) labor trafficking;

(4) fraud;

(5) embezzlement;

(6) extortion;

(7) money laundering; or

(8) insider trading;

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

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

Sec. 47. Minnesota Statutes 2024, section 342.16, is amended to read:

342.16 CANNABIS BUSINESSES; GENERAL OWNERSHIP DISQUALIFICATIONS AND REQUIREMENTS.

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

(1) be at least 21 years of age;

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

(3) have paid the applicable application fee and license fee;

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

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

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

(7) never have had a license previously issued under this chapter revoked, and never have had a cannabis license, a registration, an agreement, or another authorization to operate a cannabis business issued under the laws of another state revoked;

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

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

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

(11) not be disqualified under section 342.15;

(12) not employ an individual who is disqualified from working for a cannabis business under this chapter;

(13) meet the ownership and operational requirements for the type of license and, if applicable, endorsement sought or held; and

(14) not have had any confirmed willful labor violation with the Department of Labor, National Labor Relations Board, or the Occupational Safety and Health Administration within the last five years, as determined by the office.

(b) A health care practitioner who certifies qualifying medical conditions for patients is prohibited from:

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

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

(3) advertising with a cannabis business in any way.

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

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

Sec. 48. Minnesota Statutes 2024, section 342.17, is amended to read:

342.17 SOCIAL EQUITY APPLICANTS.

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

(1) was found delinquent for, received a stay of adjudication for, or was convicted of an offense involving the possession or sale of cannabis or marijuana prior to May 1, 2023;

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

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

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

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

(6) has been a resident for the last five years of one or more subareas, such as census tracts or neighborhoods:

(i) that experienced a disproportionately large amount of cannabis enforcement as determined by the study conducted by the office pursuant to section 342.04, paragraph (b), or another report based on federal or state data on arrests or convictions;

(ii) where the poverty rate was 20 percent or more;

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

(iv) where at least 20 percent of the households receive assistance through the Supplemental Nutrition Assistance Program; or

(v) where the population has a high level of vulnerability according to the Centers for Disease Control and Prevention and Agency for Toxic Substances and Disease Registry (CDC/ATSDR) Social Vulnerability Index; or

(7) has participated in the business operation of a farm for at least three years and currently provides the majority of the day-to-day physical labor and management of a farm that had gross farm sales of at least $5,000 but not more than $100,000 in the previous year.

(b) The qualifications described in paragraph (a) apply to each individual applicant or, in the case of a business entity, apply to at least 65 percent of the controlling ownership of the business entity.

Sec. 49. Minnesota Statutes 2024, section 342.18, subdivision 2, is amended to read:

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

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

Sec. 50. Minnesota Statutes 2024, section 342.22, subdivision 3, is amended to read:

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

(1) has a valid license or preliminary license ~~preapproval~~ approval issued by the office;

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

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

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

(b) Before issuing a retail registration, the local unit of government may conduct a preliminary compliance check to ensure that the cannabis business or hemp business is in compliance with any applicable local ordinance established pursuant to section 342.13.

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

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

Sec. 51. Minnesota Statutes 2024, section 342.22, is amended by adding a subdivision to read:

Subd. 6. **Exception; exclusive delivery services.** The requirements of this section do not apply to a lower-potency hemp edible retailer with a delivery endorsement if the lower-potency hemp edible retailer does not operate a retail location.

Sec. 52. Minnesota Statutes 2024, section 342.28, subdivision 1, is amended to read:

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

(1) grow cannabis plants from seed or immature plant to mature plant and harvest cannabis flower from a mature plant;

(2) make cannabis concentrate;

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

(4) manufacture artificially derived cannabinoids;

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

(6) purchase immature cannabis plants and seedlings ~~and~~, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from another cannabis microbusiness, a cannabis mezzobusiness, a cannabis cultivator, a cannabis manufacturer, ~~or~~ a cannabis wholesaler, a medical cannabis combination business, a lower-potency hemp edible manufacturer, or a lower-potency hemp edible wholesaler;

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

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

(9) purchase cannabis concentrate, hemp concentrate, and artificially derived cannabinoids from another cannabis microbusiness, a cannabis mezzobusiness, a cannabis manufacturer, or a cannabis wholesaler for use in manufacturing adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products;

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

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

(12) operate an establishment that permits on-site consumption of edible cannabis products and lower-potency hemp edibles; and

(13) perform other actions approved by the office.

Sec. 53. Minnesota Statutes 2024, section 342.28, subdivision 8, is amended to read:

Subd. 8. **Production of ~~customer~~ consumer products endorsement.** A cannabis microbusiness that manufactures edible cannabis products, lower-potency hemp products, or hemp-derived consumer products must comply with the requirements in section 342.26, subdivisions 2 and 4.

Sec. 54. Minnesota Statutes 2024, section 342.29, subdivision 1, is amended to read:

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

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

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

(3) make cannabis concentrate;

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

(5) manufacture artificially derived cannabinoids;

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

(7) process medical cannabinoid products;

(8) purchase immature cannabis plants and seedlings ~~and~~, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from a cannabis microbusiness, another cannabis mezzobusiness, a cannabis cultivator, a cannabis manufacturer, ~~or~~ a cannabis wholesaler, a medical cannabis combination business, a lower-potency hemp edible manufacturer, or a lower-potency hemp edible wholesaler;

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

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

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

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

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

(14) perform other actions approved by the office.

Sec. 55. Minnesota Statutes 2024, section 342.29, subdivision 7, is amended to read:

Subd. 7. **Production of ~~customer~~ consumer products endorsement.** A cannabis mezzobusiness that manufactures edible cannabis products, lower-potency hemp products, or hemp-derived consumer products must comply with the requirements in section 342.26, subdivisions 2 and 4.

Sec. 56. Minnesota Statutes 2024, section 342.30, subdivision 1, is amended to read:

Subdivision 1. **Authorized actions.** A cannabis cultivator license entitles the license holder to:

(1) grow cannabis plants within the approved amount of space from seed or immature plant to mature plant~~,~~;

(2) harvest cannabis flower from a mature plant~~,~~;

(3) package and label immature cannabis plants and seedlings and cannabis flower for sale to other cannabis businesses~~,~~;

(4) sell immature cannabis plants and seedlings and cannabis flower to other cannabis businesses;

(5) transport cannabis flower to a cannabis manufacturer located on the same premises~~,~~; and

(6) perform other actions approved by the office.

Sec. 57. Minnesota Statutes 2024, section 342.32, subdivision 1, is amended to read:

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

(1) purchase immature cannabis plants and seedlings, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, ~~and~~ cannabis wholesalers, and medical cannabis combination businesses;

(2) purchase lower-potency hemp edibles from a licensed lower-potency hemp edible manufacturer or lower-potency hemp edible wholesaler;

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

(4) perform other actions approved by the office.

Sec. 58. Minnesota Statutes 2024, section 342.32, subdivision 4, is amended to read:

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

(b) Except as provided in paragraph (a) and subdivision 5, no person, cooperative, or business holding a cannabis retailer license may own or operate any other cannabis business or hemp business.

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

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

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

Sec. 59. Minnesota Statutes 2024, section 342.32, subdivision 5, is amended to read:

Subd. 5. **Municipal or county cannabis store.** A city or county may establish, own, and operate a municipal cannabis store subject to the restrictions in this chapter. Notwithstanding any law to the contrary, a city or county that establishes, owns, or operates a municipal cannabis store may also hold a lower-potency hemp edible retailer license.

Sec. 60. Minnesota Statutes 2024, section 342.33, subdivision 1, is amended to read:

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

(1) purchase immature cannabis plants and seedlings, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, medical cannabis combination businesses, and ~~cannabis microbusinesses~~ lower-potency hemp edible manufacturers;

(2) purchase hemp plant parts and propagules from industrial hemp growers licensed under chapter 18K;

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

(4) sell immature cannabis plants and seedlings, cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products to cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, and cannabis retailers;

(5) sell lower-potency hemp edibles to lower-potency hemp edible retailers;

(6) import hemp-derived consumer products and lower-potency hemp edibles that contain hemp concentrate or artificially derived cannabinoids that are derived from hemp plants or hemp plant parts; and

(7) perform other actions approved by the office.

Sec. 61. Minnesota Statutes 2024, section 342.34, subdivision 5, is amended to read:

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

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

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

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

(c) The cannabis wholesaler must enter all relevant information regarding an imported hemp-derived consumer product into the statewide monitoring system before the product may be distributed. Relevant information includes information regarding the cultivation, processing, and testing of the industrial hemp used in the manufacture of the product and information regarding the testing of the hemp-derived consumer product. If information regarding the industrial hemp or hemp-derived consumer product was submitted to a statewide monitoring system used in another state, the office may require submission of any information provided to that statewide monitoring system and shall assist in the transfer of data from another state as needed and in compliance with any data classification established by either state.

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

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

Sec. 62. Minnesota Statutes 2024, section 342.36, subdivision 6, is amended to read:

Subd. 6. **Multiple employees; secured vehicles; delivery routes.** All cannabis transporter vehicles transporting immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer products must be ~~staffed with a minimum of two employees~~ (1) secured by turning off the ignition, locking all doors and storage compartments, and removing the operating keys or device, or (2) attended by a cannabis transporter employee at all times. If there are multiple team members staffing an unsecured transport vehicle, at least one delivery team member shall remain with the motor vehicle at all times that the motor vehicle contains immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, or hemp-derived consumer

products. A cannabis transporter must not be required to randomize delivery times and routes or staff cannabis transport vehicles with multiple employees.

Sec. 63. Minnesota Statutes 2024, section 342.37, subdivision 2, is amended to read:

Subd. 2. **Additional information required; exception.** (a) In addition to the information required to be submitted under section 342.14, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a cannabis testing facility license must submit the following information in a form approved by the office:

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

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

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

(b) An independent laboratory approved to test medical cannabis produced by a medical cannabis manufacturer pursuant to section 152.25 and Minnesota Rules, part 4770.2000, before May 1, 2025, is not required to submit an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement at the time of an initial application for a cannabis testing facility license. A laboratory that receives a cannabis testing facility license under this exception must submit an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement at the time of the second renewal of the license.

Sec. 64. Minnesota Statutes 2024, section 342.37, is amended by adding a subdivision to read:

Subd. 2a. **Cannabis testing facility licenses.** (a) Pending an applicant's accreditation by a laboratory accrediting organization approved by the office, the office may issue or renew a cannabis testing facility license for an applicant that is a person, cooperative, or business if the applicant:

(1) submits documentation to the office demonstrating that the applicant has a signed contract with a laboratory accreditation organization approved by the office, has scheduled an audit, and is making progress toward accreditation by a laboratory accrediting organization approved by the office according to the standards of the most recent edition of ISO/IEC 17025: General Requirements for the Competence of Testing and Calibration Laboratories;

(2) passes a final site inspection conducted by the office; and

(3) meets all other licensing requirements according to chapter 342 and Minnesota Rules.

(b) After receiving a license under this section, a license holder may operate a cannabis testing facility up to one year with pending accreditation status.

(c) If after one year a license holder continues to have pending accreditation status, the license holder may apply for a onetime extension to continue operations for up to six months. The office may grant an extension under this paragraph to a license holder if the license holder:

(1) passes a follow-up site inspection conducted by the office;

(2) submits an initial audit report from a laboratory accrediting organization approved by the office; and

(3) submits any additional information requested by the office.

(d) The office may revoke a cannabis testing facility license held by a license holder with pending accreditation status if the office determines or has reason to believe that the license holder:

(1) is not making progress toward accreditation; or

(2) has violated a cannabis testing requirement, an ownership requirement, or an operational requirement in chapter 342 or Minnesota Rules.

(e) The office must not issue or renew a cannabis testing facility license under this subdivision for a license holder if the license holder's accreditation has been suspended or revoked by a laboratory accrediting organization.

Sec. 65. Minnesota Statutes 2024, section 342.37, is amended by adding a subdivision to read:

Subd. 2b. **Loss of accreditation.** (a) A license holder must report loss of accreditation to the office within 24 hours of receiving notice of the loss of accreditation.

(b) The office must immediately revoke a license holder's license upon receiving notice that the license holder has lost accreditation.

Sec. 66. Minnesota Statutes 2024, section 342.39, subdivision 3, is amended to read:

Subd. 3. **Multiple licenses; limits.** (a) A person, cooperative, or business holding a cannabis event organizer license may not hold a cannabis testing facility license, a lower-potency hemp edible manufacturer license, a lower-potency hemp edible wholesaler license, or a lower-potency hemp edible retailer license.

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

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

Sec. 67. Minnesota Statutes 2024, section 342.40, subdivision 7, is amended to read:

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

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

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

(d) Authorized retailers must verify the age of all customers pursuant to section 342.27, subdivision 4, before completing a sale and may not sell cannabis plants, adult-use cannabis flower, adult-use cannabis

products, lower-potency hemp edibles, or hemp-derived consumer products to an individual under 21 years of age.

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

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

(g) Authorized retailers may not:

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

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

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

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

~~(5)~~ (4) allow for the dispensing of cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products in vending machines.

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

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

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

Sec. 68. Minnesota Statutes 2024, section 342.40, is amended by adding a subdivision to read:

Subd. 7a. **Cannabis sample products.** (a) Notwithstanding any other provisions of law, a retailer authorized to make sales to customers pursuant to subdivision 7 may give away samples of cannabis plants, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products during

a cannabis event. A label or notice containing the information required to be affixed to the packaging or container containing cannabis flower, adult-use cannabis products, lower-potency hemp edibles, or hemp-derived consumer products sold to customers must be displayed and available for consumers.

(b) Products given away as samples must not consist of more than:

(1) one gram of adult-use cannabis flower or adult-use cannabis concentrate;

(2) ten milligrams of tetrahydrocannabinol infused in an edible cannabis product; and

(3) five milligrams of delta-9 tetrahydrocannabinol, 100 milligrams of cannabidiol, cannabigerol, cannabinol, or cannabichromene, or any combination of those cannabinoids that does not exceed the identified amounts in a lower-potency hemp edible.

(c) Authorized retailers must not give away samples to an individual who is visibly intoxicated.

(d) Samples of any cannabis plants, cannabis flower, cannabis products, and hemp-derived consumer products that are required to be entered into the statewide monitoring system must be documented in the statewide monitoring system.

Sec. 69. Minnesota Statutes 2024, section 342.43, subdivision 1, is amended to read:

Subdivision 1. **License types.** The office shall issue the following types of hemp business licenses:

(1) lower-potency hemp edible manufacturer; ~~and~~

(2) lower-potency hemp edible wholesaler; and

~~(2)~~ (3) lower-potency hemp edible retailer.

Sec. 70. Minnesota Statutes 2024, section 342.43, subdivision 2, is amended to read:

Subd. 2. **Multiple licenses; limits.** (a) A person, cooperative, or business may hold ~~both~~ any combination of a lower-potency hemp edible manufacturer, a lower-potency hemp edible wholesaler, and a lower-potency hemp edible retailer license.

(b) Nothing in this section prohibits a person, cooperative, or business from holding a lower-potency hemp edible manufacturer license, a lower-potency hemp edible wholesaler license, a lower-potency hemp edible retailer license, or ~~both~~ any combination of those licenses, and also holding a license to cultivate industrial hemp issued pursuant to chapter 18K.

(c) Nothing in this section prohibits a person, cooperative, or business from holding a lower-potency hemp edible manufacturer license, a lower-potency hemp edible wholesaler license, a lower-potency hemp edible retailer license, or ~~both~~ any combination of those licenses, and also holding any other license, including but not limited to a license to prepare or sell food; sell tobacco, tobacco-related devices, electronic delivery devices as defined in section 609.685, subdivision 1, and nicotine and lobelia delivery products as described in section 609.6855; or manufacture or sell alcoholic beverages as defined in section 340A.101, subdivision 2.

(d) A person, cooperative, or business holding a lower-potency hemp edible manufacturer license, a lower-potency hemp edible wholesaler license, a lower-potency hemp edible retailer license, or ~~both~~ any combination of those licenses, may not hold a cannabis business license.

Sec. 71. Minnesota Statutes 2024, section 342.43, is amended by adding a subdivision to read:

Subd. 3. **Exception; municipal or county licenses.** Notwithstanding any law to the contrary, a city or county that establishes, owns, or operates a municipal cannabis store may also hold a lower-potency hemp edible retailer license.

Sec. 72. Minnesota Statutes 2024, section 342.44, subdivision 1, is amended to read:

Subdivision 1. **Application; contents.** (a) Except as otherwise provided in this subdivision, the provisions of this chapter relating to license applications, license selection criteria, general ownership disqualifications and requirements, and general operational requirements do not apply to hemp businesses.

(b) The office~~, by rule,~~ shall establish forms and procedures for the processing of hemp licenses issued under this chapter. At a minimum, any application to obtain or renew a hemp license shall include the following information, if applicable:

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

(2) the address and legal property description of the business;

(3) proof of trade name registration;

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

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

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

(c) An applicant for a lower-potency hemp edible manufacturer license must submit an attestation signed by a bona fide labor organization stating that the applicant has entered into a labor peace agreement. A labor peace agreement entered into on or after August 15, 2025, must address the duration of the election.

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

Sec. 73. Minnesota Statutes 2024, section 342.45, subdivision 1, is amended to read:

Subdivision 1. **Authorized actions.** A lower-potency hemp edible manufacturer license, consistent with the specific license endorsement or endorsements, entitles the license holder to:

(1) purchase hemp plant parts, hemp concentrate, and artificially derived cannabinoids from cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis wholesalers, and lower-potency hemp edible manufacturers;

(2) purchase hemp plant parts and propagules from industrial hemp growers licensed under chapter 18K;

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

(4) make hemp concentrate;

(5) manufacture artificially derived cannabinoids;

(6) manufacture lower-potency hemp edibles for public consumption;

(7) package and label lower-potency hemp edibles for sale to customers;

(8) sell hemp concentrate, artificially derived cannabinoids, and lower-potency hemp edibles to other cannabis businesses and hemp businesses; ~~and~~

(9) manufacture, package, and label products containing cannabinoids that are intended for sale outside of the state;

(10) store products containing cannabinoids that are intended for sale outside of the state;

(11) sell products containing cannabinoids that do not qualify as lower-potency hemp edibles but are compliant with the importing state's requirements to customers outside of the state; and

~~(9)~~ (12) perform other actions approved by the office.

Sec. 74. Minnesota Statutes 2024, section 342.45, is amended by adding a subdivision to read:

Subd. 4a. **Products intended for sale in other jurisdictions.** (a) A lower-potency hemp edible manufacturer that produces products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended for sale only in jurisdictions other than Minnesota must obtain a hemp product exporter endorsement from the office.

(b) All areas within the premises of a lower-potency hemp edible manufacturer used for producing products containing cannabinoids that do not qualify as lower-potency hemp edibles must meet the sanitary standards specified in rules adopted by the office.

(c) A lower-potency hemp edible manufacturer must not add any cannabis flower, cannabis concentrate, or cannabinoid derived from cannabis flower or cannabis concentrate to products containing cannabinoids that do not qualify as lower-potency hemp edibles.

(d) All products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended, distributed, and offered for sale only in jurisdictions other than Minnesota must be physically separated from all lower-potency hemp edibles during the manufacturing, packaging, and labeling process.

(e) All products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended, distributed, and offered for sale only in jurisdictions other than Minnesota must be tested as provided in section 342.61 and must meet all standards established by the office except for any limits on the amount of any cannabinoid a product may contain. The packaging of such products must contain verification that the product was tested according to section 342.61 and that the product complies with applicable standards except for any limits on the amount of any cannabinoid a product may contain. The packaging must also include the product's batch number and the cannabinoid profile per serving and in total.

(f) The packaging of all products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended, distributed, and offered for sale only in jurisdictions other than Minnesota must clearly state that the products are not for sale in Minnesota.

(g) A lower-potency hemp edible manufacturer may only sell or offer for sale products containing cannabinoids to customers outside of the state if the products are compliant with the importing state's requirements.

(h) A lower-potency hemp edible manufacturer must not sell or offer for sale products containing cannabinoids that do not qualify as lower-potency hemp edibles in Minnesota and must not manufacture, distribute, or store such products knowing or having reason to know that the products will be sold in Minnesota. A lower-potency hemp edible manufacturer selling such products must ensure that the products are not sold in Minnesota by notifying the distributor, wholesaler, retail business, or other person purchasing a product that sale of the products in Minnesota could result in the imposition of civil or criminal penalties and in the termination of any contract between the lower-potency hemp edible manufacturer and the distributor, wholesaler, retail business, or other person purchasing the product.

(i) The office may suspend, revoke, or cancel the license or endorsement of a lower-potency hemp edible manufacturer who is prohibited from distributing products containing cannabinoids in any other jurisdiction, convicted of an offense involving the distribution of products containing cannabinoids in any other jurisdiction, or found liable for distributing any product that injured customers in any other jurisdiction. A lower-potency hemp edible manufacturer shall disclose all relevant information related to actions in another jurisdiction. Failure to disclose relevant information may result in disciplinary action by the office, including the suspension, revocation, or cancellation of an endorsement or license.

Sec. 75. Minnesota Statutes 2024, section 342.45, is amended by adding a subdivision to read:

Subd. 6. **Building conditions.** (a) A lower-potency hemp edible manufacturer must comply with state and local building, fire, and zoning codes, requirements, and regulations.

(b) A lower-potency hemp edible manufacturer must ensure that licensed premises are maintained in a clean and sanitary condition and are free from infestation by insects, rodents, or other pests.

Sec. 76. **[342.455] LOWER-POTENCY HEMP EDIBLE WHOLESALER.**

Subdivision 1. **Authorized actions.** A lower-potency hemp edible wholesaler license, consistent with the specific license endorsement or endorsements, entitles the license holder to perform any or all of the following within the limits established by this section:

(1) purchase lower-potency hemp edibles from cannabis microbusinesses, cannabis mezzobusinesses, cannabis cultivators, cannabis manufacturers, cannabis wholesalers, other lower-potency hemp edible wholesalers, and lower-potency hemp edible manufacturers;

(2) sell lower-potency hemp edibles to lower-potency hemp edible retailers with a retail endorsement, cannabis microbusinesses with a retail endorsement, cannabis mezzobusinesses with a retail endorsement, cannabis retailers, cannabis wholesalers, medical cannabis combination businesses, and other lower-potency hemp edible wholesalers;

(3) import lower-potency hemp edibles that contain hemp concentrate or artificially derived cannabinoids that are derived from hemp plants or hemp plant parts;

(4) purchase and store products containing cannabinoids that are intended for sale outside of the state;

(5) sell products containing cannabinoids that do not qualify as lower-potency hemp edibles to customers outside of the state; and

(6) perform other actions approved by the office.

Subd. 2. **Operations; physical presence.** (a) A lower-potency hemp edible wholesaler must maintain accurate records and ensure that appropriate labels remain affixed to lower-potency hemp edibles.

(b) A lower-potency hemp edible wholesaler must maintain compliance with state and local building, fire, and zoning requirements or regulations and must ensure that the wholesaler's premises are maintained in a clean and sanitary condition, free from infestation by insects, rodents, or other pests.

(c) A lower-potency hemp edible wholesaler may purchase and sell other products or items for which the wholesaler has a license or an authorization or that do not require a license or an authorization. Products for which no license or authorization is required include but are not limited to industrial hemp products, products that contain hemp grain, hemp-derived topical products, and cannabis paraphernalia. Cannabis paraphernalia includes but is not limited to childproof packaging containers and other devices designed to ensure the safe storage and monitoring of cannabis flower and cannabis products in the home to prevent access by individuals under 21 years of age.

(d) A lower-potency hemp edible wholesaler must own or lease warehouse or office space within the state.

Subd. 3. **Importation of lower-potency hemp edibles; endorsement.** (a) A lower-potency hemp edible wholesaler that imports lower-potency hemp edibles that are manufactured outside the boundaries of the state of Minnesota with the intent to sell the products to a cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, cannabis wholesaler, medical cannabis combination business, other lower-potency hemp edible wholesaler, or lower-potency hemp edible retailer must obtain a lower-potency hemp edible importer endorsement from the office.

(b) A lower-potency hemp edible wholesaler with an endorsement issued under this subdivision may sell products manufactured outside the boundaries of the state of Minnesota if:

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

(2) the lower-potency hemp edible wholesaler establishes, to the satisfaction of the office, that the manufacturer engages in practices that are substantially similar to the practices required for licensure of manufacturers in this state.

(c) The office may suspend, revoke, or cancel the license or endorsement of a wholesaler who is prohibited from distributing products containing cannabinoids in any other jurisdiction, convicted of an offense involving the distribution of products containing cannabinoids in any other jurisdiction, or found liable for distributing any product that injured customers in any other jurisdiction. A lower-potency hemp edible wholesaler shall disclose all relevant information related to actions in another jurisdiction. Failure to disclose relevant information may result in disciplinary action by the office, including the suspension, revocation, or cancellation of an endorsement or license.

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

Subd. 4. **Products intended for sale in other jurisdictions.** (a) A lower-potency hemp edible wholesaler that purchases, stores, transports, or sells products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended for sale only in jurisdictions other than Minnesota must obtain a hemp product exporter endorsement from the office.

(b) All products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended, distributed, and offered for sale only in jurisdictions other than Minnesota must be physically

separated from all lower-potency hemp edibles and must be in packaging that clearly states that the products are not for sale in Minnesota.

(c) All products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended, distributed, and offered for sale only in jurisdictions other than Minnesota must be packaged in a manner that includes verification that the product was tested according to section 342.61 and that the product complies with applicable standards except for any limits on the amount of any cannabinoid a product may contain. The packaging must also include the product's batch number and the cannabinoid profile per serving and in total.

(d) A lower-potency hemp edible wholesaler must not sell or offer for sale products containing cannabinoids that do not qualify as lower-potency hemp edibles in Minnesota and must not distribute or store such products knowing or having reason to know that the products will be sold in Minnesota.

(e) The office may suspend, revoke, or cancel the license or endorsement of a lower-potency hemp edible wholesaler who is prohibited from distributing products containing cannabinoids in any other jurisdiction, convicted of an offense involving the distribution of products containing cannabinoids in any other jurisdiction, or found liable for distributing any product that injured customers in any other jurisdiction. A lower-potency hemp edible wholesaler shall disclose all relevant information related to actions in another jurisdiction. Failure to disclose relevant information may result in disciplinary action by the office, including the suspension, revocation, or cancellation of an endorsement or license.

Subd. 5. **Transportation of lower-potency hemp edibles; endorsement.** (a) A lower-potency hemp edible wholesaler that transports lower-potency hemp edibles to a cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, cannabis wholesaler, medical cannabis combination business, different lower-potency hemp edible wholesaler, or lower-potency hemp edible retailer must obtain a lower-potency hemp edible transporter endorsement from the office.

(b) In addition to the information required to be submitted under section 342.44, subdivision 1, and rules adopted pursuant to that section, a person, cooperative, or business seeking a lower-potency hemp edible transporter endorsement must submit the following information in a form approved by the office:

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

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

(3) the number and type of equipment the business will use to transport lower-potency hemp edibles;

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

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

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

(c) A lower-potency hemp edible wholesaler may transport lower-potency hemp edibles on public roadways if:

(1) the lower-potency hemp edibles are in a locked, safe, and secure storage compartment that is part of the motor vehicle or in a locked storage container that has a separate key or combination pad;

(2) the lower-potency hemp edibles are packaged in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle;

(3) the lower-potency hemp edible wholesaler has a shipping manifest in the wholesaler's possession that describes the contents of all tamper-evident containers;

(4) all departures, arrivals, and stops are appropriately documented;

(5) no person other than a designated employee enters a vehicle at any time that the vehicle is transporting lower-potency hemp edibles;

(6) at all times that the vehicle contains lower-potency hemp edibles, the vehicle is (i) secured by turning off the ignition, locking all doors and storage compartments, and removing the operating keys or device, or (ii) attended by a lower-potency hemp edible wholesaler employee; and

(7) the lower-potency hemp edible wholesaler complies with any other rules adopted by the office related to the transportation of lower-potency hemp edibles by a lower-potency hemp edible wholesaler, except that rules requiring a lower-potency hemp edible wholesaler to randomize delivery times and routes or staff vehicles with multiple employees do not apply.

(d) Any vehicle assigned for the purposes of transporting lower-potency hemp edibles is subject to inspection at any time.

Sec. 77. Minnesota Statutes 2024, section 342.46, subdivision 1, is amended to read:

Subdivision 1. ~~**Sale of lower-potency hemp edibles**~~ **Authorized actions.** (a) A lower-potency hemp edible retailer ~~may only sell lower-potency hemp edibles to individuals who are at least 21 years of age.~~ license, consistent with the specific license endorsement or endorsements, entitles the license holder to perform any or all of the following within the limits established by this section:

~~(b) A lower-potency hemp edible retailer may sell lower-potency hemp edibles that:~~

(1) ~~are obtained~~ purchase lower-potency hemp edibles from a licensed Minnesota cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, cannabis wholesaler, medical cannabis combination business, ~~or~~ lower-potency hemp edible manufacturer, or lower-potency hemp edible wholesaler; ~~and~~

(2) ~~meet all applicable packaging and labeling requirements~~ sell lower-potency hemp edibles that meet all packaging and labeling requirements to customers who are at least 21 years of age;

(3) transport and deliver lower-potency hemp edibles to customers; and

(4) perform other actions approved by the office.

Sec. 78. Minnesota Statutes 2024, section 342.46, is amended by adding a subdivision to read:

Subd. 1a. **Retailer operations endorsement.** In addition to the information required to be submitted under section 342.44, subdivision 1, a lower-potency hemp edible retailer that intends to operate a retail establishment must indicate that intent in the form and manner approved by the office.

Sec. 79. Minnesota Statutes 2024, section 342.46, is amended by adding a subdivision to read:

Subd. 1b. **Delivery endorsement.** (a) In addition to the information required to be submitted under section 342.44, subdivision 1, a lower-potency hemp edible retailer that delivers lower-potency hemp edibles must submit the following information in a form approved by the office:

(1) proof of insurance for each vehicle or general liability insurance with a limit of at least $1,000,000 for each occurrence;

(2) a business plan demonstrating policies to avoid sales of lower-potency hemp edibles to individuals who are under 21 years of age; and

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

(b) A lower-potency hemp edible retailer with a delivery endorsement:

(1) must ensure that lower-potency hemp edibles are not visible from outside the delivery vehicle;

(2) must ensure that a vehicle that contains lower-potency hemp edibles is (i) secured by turning off the ignition, locking all doors and storage compartments, and removing the operating keys or device, or (ii) attended by a lower-potency hemp edible retailer employee or independent contractor acting on behalf of the lower-potency hemp edible retailer; and

(3) must not use a vehicle or trailer with an image depicting the types of items being transported, including but not limited to an image depicting a cannabis or hemp leaf, or a name suggesting that the delivery vehicle is used for transporting lower-potency hemp edibles.

(c) Any vehicle delivering lower-potency hemp edibles is subject to inspection at any time.

(d) The office may, by policy, establish limits on the amount of lower-potency hemp edibles that a single delivery vehicle may transport at any time. If the office establishes limits under this paragraph, the office must notify all lower-potency hemp edible retailers with a delivery endorsement of the limit and must post the limit on the office's publicly accessible website.

Sec. 80. Minnesota Statutes 2024, section 342.46, subdivision 3, is amended to read:

Subd. 3. **Age verification.** Prior to initiating a sale or completing a delivery, an employee or independent contractor of the lower-potency hemp edible retailer must verify that the customer is at least 21 years of age. Section 342.27, subdivision 4, applies to the verification of a customer's age.

Sec. 81. Minnesota Statutes 2024, section 342.46, subdivision 4, is amended to read:

Subd. 4. **Display and storage of lower-potency hemp edibles.** A lower-potency hemp edible retailer operating a retail location shall ensure that all lower-potency hemp edibles, other than lower-potency hemp edibles that are intended to be consumed as a beverage, are displayed behind a checkout counter where the public is not permitted or in a locked case. All lower-potency hemp edibles that are not displayed must be stored in a secure area.

Sec. 82. Minnesota Statutes 2024, section 342.46, subdivision 5, is amended to read:

Subd. 5. **Transportation of lower-potency hemp edibles.** (a) A lower-potency hemp edible retailer may transport lower-potency hemp edibles on public roadways provided:

(1) the lower-potency hemp edibles are in final packaging;

(2) the lower-potency hemp edibles are packaged in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle;

(3) the lower-potency hemp edible retailer has a shipping manifest in the lower-potency hemp edible retailer's possession that describes the contents of all tamper-evident containers;

(4) all departures, arrivals, and stops are appropriately documented;

(5) no person other than a designated employee enters a vehicle at any time that the vehicle is transporting lower-potency hemp edibles; and

(6) the lower-potency hemp edible retailer complies with any other rules adopted by the office, except that rules requiring a lower-potency hemp edible retailer to randomize delivery times and routes or staff vehicles with multiple employees do not apply.

(b) Any vehicle assigned for the purposes of transporting lower-potency hemp edibles is subject to inspection at any time.

(c) The requirements under paragraph (a) do not apply to the delivery of lower-potency hemp edibles to customers by a lower-potency hemp edible retailer with a delivery endorsement.

Sec. 83. Minnesota Statutes 2024, section 342.46, subdivision 6, is amended to read:

Subd. 6. **Compliant products.** ~~(a)~~ A lower-potency hemp edible retailer shall ensure that all ~~lower-potency hemp edibles~~ products containing cannabinoids offered for sale qualify as hemp-derived topical products or lower-potency hemp edibles and comply with ~~the~~ all applicable limits on the amount and types of cannabinoids that ~~a lower-potency hemp edible~~ the product can contain~~, including but not limited to the requirement that lower-potency hemp edibles:~~.

~~(1) consist of servings that contain no more than five milligrams of delta-9 tetrahydrocannabinol, no more than 25 milligrams of cannabidiol, no more than 25 milligrams of cannabigerol, or any combination of those cannabinoids that does not exceed the identified amounts;~~

~~(2) do not contain more than a combined total of 0.5 milligrams of all other cannabinoids per serving; and~~

~~(3) do not contain an artificially derived cannabinoid other than delta-9 tetrahydrocannabinol.~~

~~(b) If a lower-potency hemp edible is packaged in a manner that includes more than a single serving, the lower-potency hemp edible must indicate each serving by scoring, wrapping, or other indicators that appear on the lower-potency hemp edible designating the individual serving size. If it is not possible to indicate a single serving by scoring or use of another indicator that appears on the product, the lower-potency hemp edible may not be packaged in a manner that includes more than a single serving in each container, except that a calibrated dropper, measuring spoon, or similar device for measuring a single serving may be used for any edible cannabinoid products that are intended to be combined with food or beverage products~~

~~prior to consumption. If the lower-potency hemp edible is meant to be consumed as a beverage, the beverage container may not contain more than two servings per container.~~

~~(c) A single package containing multiple servings of a lower-potency hemp edible must contain no more than 50 milligrams of delta-9 tetrahydrocannabinol, 250 milligrams of cannabidiol, 250 milligrams of cannabigerol, or any combination of those cannabinoids that does not exceed the identified amounts.~~

Sec. 84. Minnesota Statutes 2024, section 342.46, subdivision 7, is amended to read:

Subd. 7. **Prohibitions.** A lower-potency hemp edible retailer ~~may~~ must not:

(1) sell or deliver lower-potency hemp edibles to an individual who is under 21 years of age;

(2) sell or deliver a lower-potency hemp edible to a person who is visibly intoxicated;

(3) sell or deliver cannabis flower, cannabis products, or hemp-derived consumer products;

(4) allow for the dispensing of lower-potency hemp edibles in vending machines; or

(5) distribute or allow free samples of lower-potency hemp edibles except when the business is licensed to permit on-site consumption and samples are consumed within its licensed premises.

Sec. 85. Minnesota Statutes 2024, section 342.46, subdivision 8, is amended to read:

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

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

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

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

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

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

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

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

(1) sell, give, furnish, or in any way procure for another lower-potency hemp edibles for the use of an obviously intoxicated person;

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

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

(i) A lower-potency hemp edible retailer is permitted to sell and may permit the consumption of lower-potency hemp edibles that are intended to be consumed as a beverage at an event hosted off site if:

(1) the event has been authorized by the local unit of government exercising jurisdiction over the location;

(2) the event organizer holds an on-sale license issued under chapter 340A; and

(3) the event does not exceed four days.

Sec. 86. Minnesota Statutes 2024, section 342.46, subdivision 9, is amended to read:

Subd. 9. **Posting of notices.** A lower-potency hemp edible retailer with a retail endorsement must post all notices as provided in section 342.27, subdivision 6.

Sec. 87. Minnesota Statutes 2024, section 342.51, subdivision 2, is amended to read:

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

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

(2) verify that the person requesting the distribution of medical cannabis flower or medical cannabinoid products is the patient, the patient's registered designated caregiver, or the patient's parent, legal guardian, or spouse using the procedures established by the office;

(3) ~~provide~~ confirm that the patient had a consultation ~~to the patient~~ with (i) an employee with a valid medical cannabis consultant certificate issued by the office; or (ii) an employee who is a licensed pharmacist under chapter 151 to determine the proper medical cannabis flower or medical cannabinoid product, dosage, and paraphernalia for the patient if required under subdivision 3;

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

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

(b) A cannabis business with a medical cannabis retail endorsement may not deliver medical cannabis flower or medical cannabinoid products to a person enrolled in the registry program unless the cannabis business with a medical cannabis retail endorsement also holds a cannabis delivery service license. The

delivery of medical cannabis flower and medical cannabinoid products are subject to the provisions of section 342.42.

Sec. 88. Minnesota Statutes 2024, section 342.51, is amended by adding a subdivision to read:

Subd. 2a. **Distribution to visiting patients.** (a) A cannabis business with a medical cannabis retail endorsement may distribute medical cannabis flower or medical cannabinoid products to a visiting patient.

(b) Before receiving a distribution of medical cannabis, a visiting patient must provide to an employee of the cannabis business:

(1) a valid medical cannabis registration verification card or equivalent document issued under the laws and regulations of another state, district, commonwealth, Tribal Nation, or territory that indicates that the visiting patient is authorized to use medical cannabis in the issuing jurisdiction; and

(2) a valid photographic identification card issued by the visiting patient's medical cannabis program, a valid driver's license, or a valid state identification card.

(c) Prior to the distribution of medical cannabis flower or medical cannabinoid products to a visiting patient, an employee of a cannabis business must:

(1) ensure that a patient-specific label has been applied to all medical cannabis flower and medical cannabinoid products. The label must include the recommended dosage requirements and other information required by the office; and

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

(d) For each transaction that involves a visiting patient, a cannabis business with a medical cannabis retail endorsement must report to the office on a weekly basis:

(1) the name of the visiting patient;

(2) the name of the medical cannabis program in which the visiting patient is enrolled;

(3) the amount and dosages of medical cannabis distributed;

(4) the chemical composition of the medical cannabis distributed; and

(5) the tracking number assigned to the medical cannabis that was distributed to the visiting patient.

(e) A cannabis business with a medical cannabis retail endorsement may distribute medical cannabis flower and medical cannabinoid products to a visiting patient in a motor vehicle if:

(1) an employee of the cannabis business receives payment and distributes medical cannabis flower and medical cannabinoid products in a designated zone that is as close as feasible to the front door of the facility where the cannabis business is located;

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

(3) the cannabis business with a medical cannabis retail endorsement does not store medical cannabis flower or medical cannabinoid products outside a restricted access area;

(4) an employee of the cannabis business transports medical cannabis flower and medical cannabinoid products from a restricted access area to the designated zone for distribution to patients only after confirming that the visiting patient has arrived in the designated zone;

(5) the payment for and distribution of medical cannabis flower and medical cannabinoid products to a patient only occurs after meeting the requirements in paragraph (b);

(6) immediately following the distribution of medical cannabis flower or medical cannabinoid products to a patient, an employee of the cannabis business records the transaction in the statewide monitoring system; and

(7) immediately following the distribution of medical cannabis flower and medical cannabinoid products, an employee of the cannabis business transports all payments received into the facility where the cannabis business is located.

Sec. 89. Minnesota Statutes 2024, section 342.515, subdivision 1, is amended to read:

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

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

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

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

(2) make cannabis concentrate;

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

(4) manufacture artificially derived cannabinoids;

(5) manufacture medical cannabinoid products;

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

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

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

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

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

(11) manufacture, package, and label medical cannabis flower and medical cannabinoid products for sale to cannabis businesses with a medical cannabis processor endorsement, cannabis businesses with a medical cannabis retail endorsement, other medical cannabis combination businesses, and persons in the registry program;

(12) transport and deliver medical cannabis flower and medical cannabinoid products to medical cannabis processors, medical cannabis retailers, other medical cannabis combination businesses, patients enrolled in the registry program, registered designated caregivers, and parents, legal guardians, and spouses of an enrolled patient;

~~(12)~~ (13) manufacture, package, and label adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, and hemp-derived consumer products for sale to customers and other cannabis businesses;

~~(13)~~ (14) sell medical cannabis flower and medical cannabinoid products to other cannabis businesses with a medical endorsement, other medical cannabis combination businesses, and patients enrolled in the registry program, registered designated caregivers, and parents, legal guardians, and spouses of an enrolled patient;

~~(14)~~ (15) sell immature cannabis plants and seedlings, adult-use cannabis flower, adult-use cannabis products, lower-potency hemp edibles, hemp-derived consumer products, and other products authorized by law to other cannabis businesses and to customers; ~~and~~

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

(17) sell and transport lower-potency hemp edibles to lower-potency hemp edible retailers and lower-potency hemp edible wholesalers; and

~~(15)~~ (18) perform other actions approved by the office.

(d) A medical cannabis combination business is not required to obtain a medical cannabis endorsement to perform any actions authorized under this section.

Sec. 90. Minnesota Statutes 2024, section 342.515, subdivision 7, is amended to read:

Subd. 7. **Transportation ~~between facilities~~.** A medical cannabis combination business may transport immature cannabis plants and seedlings, cannabis flower, cannabis products, artificially derived cannabinoids, hemp plant parts, hemp concentrate, lower-potency hemp edibles, and hemp-derived consumer products ~~between facilities operated by the medical cannabis combination business~~ if the medical cannabis combination business:

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

(2) complies with the requirements of section 342.36.

Sec. 91. Minnesota Statutes 2024, section 342.52, is amended by adding a subdivision to read:

Subd. 7a. **Allowable delivery methods.** A patient in the registry program may receive medical cannabis flower and medical cannabinoid products. The office may approve additional delivery methods to expand the types of products that qualify as medical cannabinoid products.

Sec. 92. Minnesota Statutes 2024, section 342.52, subdivision 9, is amended to read:

Subd. 9. **Registered designated caregiver.** (a) The office must register a designated caregiver for a patient if the patient requires assistance in administering medical cannabis flower or medical cannabinoid products; obtaining medical cannabis flower, medical cannabinoid products, or medical cannabis paraphernalia from a cannabis business with a medical cannabis retail endorsement; or cultivating cannabis plants as permitted by section 342.09, subdivision 2.

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

(1) be at least 18 years of age;

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

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

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

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

Sec. 93. Minnesota Statutes 2024, section 342.56, subdivision 2, is amended to read:

Subd. 2. **Health care facilities.** (a) Health care facilities licensed under chapter 144A; hospice providers licensed under chapter 144A; boarding care homes or supervised living facilities licensed under section 144.50; assisted living facilities under chapter 144G; facilities owned, controlled, managed, or under common control with hospitals licensed under chapter 144; and other health care facilities licensed by the commissioner of health or the commissioner of human services may adopt reasonable restrictions on the use of ~~medical~~ cannabis flower ~~or medical cannabinoid~~, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products by a patient enrolled in the registry program who resides at or is actively receiving treatment or care at the facility. The restrictions may include a provision that the facility must not store or maintain a patient's supply of ~~medical~~ cannabis flower or ~~medical cannabinoid~~ cannabis products on behalf of the patient; that a patient store the patient's supply of ~~medical~~ cannabis flower ~~or medicinal cannabinoid~~, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products in a locked container accessible only to the patient, the patient's designated caregiver, or the patient's parent, legal guardian, or spouse; that the facility is not responsible for providing ~~medical~~ cannabis or hemp for patients; and that ~~medical~~ cannabis flower ~~or medical cannabinoid~~, cannabis

products, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products are used only in a location specified by the facility or provider. Nothing in this subdivision requires facilities and providers listed in this subdivision to adopt such restrictions.

(b) No facility or provider listed in this subdivision may unreasonably limit a patient's access to or use of ~~medical~~ cannabis flower ~~or medical cannabinoid~~, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products to the extent that such use is authorized under sections 342.51 to 342.59, or, in the case of a visiting patient, authorized to use cannabis under the laws of their state of residence. No facility or provider listed in this subdivision may prohibit a patient access to or use of ~~medical~~ cannabis flower or ~~medical cannabinoid~~ cannabis products due solely to the fact that cannabis is a controlled substance pursuant to the federal Uniform Controlled Substances Act. If a federal regulatory agency, the United States Department of Justice, or the federal Centers for Medicare and Medicaid Services takes one of the following actions, a facility or provider may suspend compliance with this paragraph until the regulatory agency, the United States Department of Justice, or the federal Centers for Medicare and Medicaid Services notifies the facility or provider that it may resume permitting the use of ~~medical~~ cannabis flower ~~or medical cannabinoid~~, cannabis products, lower-potency hemp edibles, hemp-derived consumer products, or hemp-derived topical products within the facility or in the provider's service setting:

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

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

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

(d) Nothing in this subdivision is intended to require a facility covered by this subdivision to permit violations of sections 144.411 to 144.417.

(e) This subdivision does not apply to sober homes under section 254B.181, except that a resident of a sober home who is a patient enrolled in the registry program must have access to medical cannabis flower and medical cannabinoid products subject to the restrictions and requirements in paragraphs (a) and (b).

Sec. 94. Minnesota Statutes 2024, section 342.57, is amended to read:

342.57 PROTECTIONS FOR REGISTRY PROGRAM PARTICIPANTS.

Subdivision 1. **Presumption.** (a) There is a presumption that ~~a patient or other person~~ an individual enrolled in the registry program or a Tribal medical cannabis program patient is engaged in the authorized use or possession of medical cannabis flower and medical cannabinoid products.

(b) This presumption may be rebutted by evidence that:

(1) the use or possession of medical cannabis flower or medical cannabinoid products by a patient or other person enrolled in the registry program was not for the purpose of assisting with, treating, or alleviating the patient's qualifying medical condition or symptoms associated with the patient's qualifying medical condition.; or

(2) a Tribal medical cannabis program patient's use of medical cannabis was not for a purpose authorized by the Tribal medical cannabis program.

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

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

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

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

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

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

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

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

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

(1) the information is independently obtained; or

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

(g) Possession of a registry verification or an application for enrollment in the registry program and possession of a registry verification or its equivalent issued by a Tribal medical cannabis program or application for enrollment in a Tribal medical cannabis program by a person entitled to possess the verification or application:

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

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

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

(h) A patient enrolled in the registry program or a Tribal medical cannabis program must not be subject to any penalty or disciplinary action by an occupational or a professional licensing board solely because:

(1) the patient is enrolled in the registry program or in a Tribal medical cannabis program; or

(2) the patient has a positive test for cannabis components or metabolites.

Subd. 3. **School enrollment; rental property.** (a) No school may refuse to enroll or otherwise penalize a patient or person enrolled in the registry program or a Tribal medical cannabis program as a pupil solely because the patient or person is enrolled in the registry program or a Tribal medical cannabis program, unless failing to do so would violate federal law or regulations or cause the school to lose a monetary or licensing-related benefit under federal law or regulations.

(b) No landlord may refuse to lease to a patient or person enrolled in the registry program or a Tribal medical cannabis program or otherwise penalize a patient or person enrolled in the registry program or a Tribal medical cannabis program solely because the patient or person is enrolled in the registry program or a Tribal medical cannabis program, unless failing to do so would violate federal law or regulations or cause the landlord to lose a monetary or licensing-related benefit under federal law or regulations.

(c) A school must not refuse to enroll a patient as a pupil solely because cannabis is a controlled substance according to the Uniform Controlled Substances Act, United States Code, title 21, section 812.

(d) A school must not penalize a pupil who is a patient solely because cannabis is a controlled substance according to the Uniform Controlled Substances Act, United States Code, title 21, section 812.

(e) A landlord must not refuse to lease a property to a patient solely because cannabis is a controlled substance according to the Uniform Controlled Substances Act, United States Code, title 21, section 812.

(f) A landlord must not otherwise penalize a patient solely because cannabis is a controlled substance according to the Uniform Controlled Substances Act, United States Code, title 21, section 812.

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

Subd. 5. **Employment.** (a) Unless a failure to do so would violate federal or state 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 on:

(1) the person's status as ~~a patient or person~~ an individual enrolled in the registry program; ~~or~~

(2) the person's status as a Tribal medical cannabis program patient; or

~~(2)~~ (3) a patient's positive drug test for cannabis components or metabolites, unless the patient used, possessed, sold, transported, or was impaired by medical cannabis flower or a medical cannabinoid product on work premises, during working hours, or while operating an employer's machinery, vehicle, or equipment.

(b) An employee who is a patient in the registry program or a Tribal medical cannabis program and whose employer requires the employee to undergo drug testing according to section 181.953 may present the employee's registry verification or verification of enrollment in a Tribal medical cannabis program as part of the employee's explanation under section 181.953, subdivision 6.

Subd. 5a. **Notice.** An employer, a school, or a landlord must provide written notice to a patient at least 14 days before the employer, school, or landlord takes an action against the patient that is prohibited under subdivision 3 or 5. The written notice must cite the specific federal law or regulation that the employer, school, or landlord believes would be violated if the employer, school, or landlord fails to take action. The notice must specify what monetary or licensing-related benefit under federal law or regulations that the employer, school, or landlord would lose if the employer, school, or landlord fails to take action.

Subd. 6. **Custody; visitation; parenting time.** ~~A person~~ An individual must not be denied custody of a minor child or visitation rights or parenting time with a minor child based solely on the ~~person's~~ individual's status as ~~a patient or person~~ an individual enrolled in the registry program or on the individual's status as a Tribal medical cannabis program patient. There must be no presumption of neglect or child endangerment for conduct allowed under sections 342.51 to 342.60 or under a Tribal medical cannabis program, unless the ~~person's~~ individual's behavior creates an unreasonable danger to the safety of the minor as established by clear and convincing evidence.

Subd. 6a. **Retaliation prohibited.** A school, a landlord, a health care facility, or an employer must not retaliate against a patient for asserting the patient's rights or seeking remedies under this section or section 152.32.

Subd. 7. **Action for damages; injunctive relief.** In addition to any other remedy provided by law, ~~a patient or person~~ an individual enrolled in the registry program or a Tribal medical cannabis program may bring an action for damages against any person who violates subdivision 3, 4, or 5. A person who violates subdivision 3, 4, or 5 is liable to ~~a patient or person~~ an individual enrolled in the registry program or a Tribal medical cannabis program injured by the violation for the greater of the person's actual damages or a civil penalty of ~~$100~~ $1,000 and reasonable attorney fees. A patient may bring an action for injunctive relief to prevent or end a violation of subdivisions 3 to 6a.

Subd. 8. **Sanctions restricted for those on parole, supervised release, or conditional release.** (a) This subdivision applies to an individual placed on parole, supervised release, or conditional release.

(b) The commissioner of corrections may not:

(1) prohibit an individual from participating in the registry program or a Tribal medical cannabis program as a condition of release; or

(2) revoke an individual's parole, supervised release, or conditional release or otherwise sanction an individual solely:

(i) for participating in the registry program or a Tribal medical cannabis program; or

(ii) for a positive drug test for cannabis components or metabolites.

Sec. 95. Minnesota Statutes 2024, section 342.59, subdivision 2, is amended to read:

Subd. 2. **Allowable use; prohibited use.** Data specified in subdivision 1 may be used to comply with chapter 13, to comply with a request from the legislative auditor or the state auditor in the performance of official duties, and for purposes specified in sections ~~342.47~~ 342.51 to 342.60. Data specified in subdivision 1 and maintained by the Office of Cannabis Management or Division of Medical Cannabis must not be used for any purpose not specified in sections ~~342.47~~ 342.51 to 342.60 and must not be combined or linked in any manner with any other list, dataset, or database. Data specified in subdivision 1 must not be shared with any federal agency, federal department, or federal entity unless specifically ordered to do so by a state or federal court.

Sec. 96. Minnesota Statutes 2024, section 342.61, subdivision 4, is amended to read:

Subd. 4. **Testing of samples; disclosures.** (a) On a schedule determined by the office, every cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, or medical cannabis combination business shall make each batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products grown, manufactured, or imported by the cannabis business or hemp business available to a cannabis testing facility.

(b) A cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, cannabis manufacturer, cannabis wholesaler with an endorsement to import products, lower-potency hemp edible manufacturer, or medical cannabis combination business must disclose all known information regarding pesticides, fertilizers, solvents, or other foreign materials, including but not limited to catalysts used in creating artificially derived cannabinoids, applied or added to the batch of cannabis flower, cannabis products, artificially derived cannabinoids, lower-potency hemp edibles, or hemp-derived consumer products subject to testing. Disclosure must be made to the cannabis testing facility and must include information about all applications by any person, whether intentional or accidental.

(c) ~~The~~ A cannabis ~~testing facility~~ business shall select one or more representative samples from each batch, test the samples for the presence of contaminants, and test the samples for potency and homogeneity and to allow the cannabis flower, cannabis product, artificially derived cannabinoid, lower-potency hemp edible, or hemp-derived consumer product to be accurately labeled with its cannabinoid profile. Testing for contaminants must include testing for residual solvents, foreign material, microbiological contaminants, heavy metals, pesticide residue, mycotoxins, and any items identified pursuant to paragraph (b), and may include testing for other contaminants. A cannabis testing facility must destroy or return to the cannabis business or hemp business any part of the sample that remains after testing.

Sec. 97. Minnesota Statutes 2024, section 342.62, subdivision 2, is amended to read:

Subd. 2. **Packaging requirements.** (a) Except as provided in paragraph (b), all cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products sold to customers or patients must be:

(1) prepackaged in packaging or a container that is child-resistant, tamper-evident, and opaque; or

(2) placed in packaging or a container that is plain, child-resistant, tamper-evident, and opaque at the final point of sale to a customer.

(b) The requirement that packaging be child-resistant does not apply to a lower-potency hemp edible that is intended to be consumed as a beverage.

(c) If a cannabis product, lower-potency hemp edible, or a hemp-derived consumer product is packaged in a manner that includes more than a single serving, each serving must be indicated by scoring, wrapping, or other indicators designating the individual serving size. ~~If the item is a lower-potency hemp edible, serving indicators must meet the requirements of section 342.46, subdivision 6, paragraph (b).~~

(d) Notwithstanding paragraph (c), any edible cannabinoid products that are intended to be combined with food or beverage products before consumption must indicate a single serving using one of the following methods:

(1) the product is packaged in individual servings;

(2) the product indicates a single serving by scoring or use of another indicator that appears on the product; or

(3) the product is sold with a calibrated dropper, measuring spoon, or similar device for measuring a single serving.

(e) A package containing multiple servings of a lower-potency hemp edible that is not intended to be consumed as a beverage must not contain:

(1) more than 50 milligrams of delta-9 tetrahydrocannabinol;

(2) more than 1,000 milligrams of cannabidiol, cannabigerol, cannabinol, or cannabichromene:

(3) more than the established limit of any other cannabinoid authorized by the office; or

(4) any combination of those cannabinoids that exceeds the identified amounts for the applicable product category.

(f) A single container containing a lower-potency hemp edible product that is intended to be consumed as a beverage must not contain:

(1) more than ten milligrams of delta-9 tetrahydrocannabinol;

(2) more than 200 milligrams of cannabidiol, cannabigerol, cannabinol, or cannabichromene;

(3) more than the established limit of any other cannabinoid authorized by the office; or

(4) any combination of those cannabinoids that exceeds the identified amounts for the applicable product category.

~~(d)~~ (g) Edible cannabis products and lower-potency hemp edibles containing more than a single serving must be prepackaged or placed at the final point of sale in packaging or a container that is resealable.

Sec. 98. Minnesota Statutes 2024, section 342.63, subdivision 2, is amended to read:

Subd. 2. **Content of label; cannabis.** All cannabis flower and hemp-derived consumer products that consist of hemp plant parts sold to customers or patients must have affixed on the packaging or container of the cannabis flower or hemp-derived consumer product a label that contains at least the following information:

(1) the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, medical cannabis combination business, or industrial hemp grower where the cannabis flower or hemp plant part was cultivated;

(2) the net weight ~~or volume~~ of cannabis flower or hemp plant parts in the package or container;

(3) the batch number;

(4) the cannabinoid profile;

(5) a universal symbol established by the office indicating that the package or container contains cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(6) verification that the cannabis flower or hemp plant part was tested according to section 342.61 and that the cannabis flower or hemp plant part complies with the applicable standards;

(7) information on the usage of the cannabis flower or hemp-derived consumer product;

(8) the following statement: "Keep this product out of reach of children."; and

(9) any other statements or information required by the office.

Sec. 99. Minnesota Statutes 2024, section 342.63, subdivision 3, is amended to read:

Subd. 3. **Content of label; cannabinoid products.** (a) All cannabis products, lower-potency hemp edibles, hemp concentrate, hemp-derived consumer products other than products subject to the requirements under subdivision 2, medical cannabinoid products, and hemp-derived topical products sold to customers or patients must have affixed to the packaging or container of the cannabis product a label that contains at least the following information:

(1) the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis cultivator, medical cannabis combination business, or industrial hemp grower that cultivated the cannabis flower or hemp plant parts used in the cannabis product, lower-potency hemp edible, hemp-derived consumer product, or medical cannabinoid product;

(2) the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, lower-potency hemp edible manufacturer, medical cannabis combination business, or industrial hemp grower that manufactured the cannabis concentrate, hemp concentrate, or artificially derived cannabinoid and, if different, the name and license number of the cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, lower-potency hemp edible manufacturer, or medical cannabis combination business that manufactured the product;

(3) the net weight ~~or volume~~ of the cannabis product, lower-potency hemp edible, or hemp-derived consumer product in the package or container;

(4) the type of cannabis product, lower-potency hemp edible, or hemp-derived consumer product;

(5) the batch number;

(6) the serving size;

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

(8) a list of ingredients;

(9) a universal symbol established by the office indicating that the package or container contains cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product;

(10) a warning symbol developed by the office in consultation with the commissioner of health and the Minnesota Poison Control System that:

(i) is at least three-quarters of an inch tall and six-tenths of an inch wide;

(ii) is in a highly visible color;

(iii) includes a visual element that is commonly understood to mean a person should stop;

(iv) indicates that the product is not for children; and

(v) includes the phone number of the Minnesota Poison Control System;

(11) verification that the cannabis product, lower-potency hemp edible, hemp-derived consumer product, or medical cannabinoid product was tested according to section 342.61 and that the cannabis product, lower-potency hemp edible, hemp-derived consumer product, or medical cannabinoid product complies with the applicable standards;

(12) information on the usage of the product;

(13) the following statement: "Keep this product out of reach of children."; and

(14) any other statements or information required by the office.

(b) The office may by rule establish alternative labeling requirements for lower-potency hemp edibles that are imported into the state if those requirements provide consumers with information that is substantially similar to the information described in paragraph (a).

Sec. 100. Minnesota Statutes 2024, section 342.63, subdivision 5, is amended to read:

Subd. 5. **Content of label; hemp-derived topical products.** ~~(a)~~ All hemp-derived topical products sold to customers must have affixed to the packaging or container of the product a label that contains at least the following information:

(1) the manufacturer name, location, phone number, and website;

(2) the name and address of the independent, accredited laboratory used by the manufacturer to test the product;

(3) the net weight or volume of the product in the package or container;

(4) the type of topical product;

(5) the amount or percentage of cannabidiol, cannabigerol, or any other cannabinoid, derivative, or extract of hemp, per serving and in total;

(6) a list of ingredients;

(7) a statement that the product does not claim to diagnose, treat, cure, or prevent any disease and that the product has not been evaluated or approved by the United States Food and Drug Administration, unless the product has been so approved; and

(8) any other statements or information required by the office.

~~(b) The information required in paragraph (a), clauses (1), (2), and (5), may be provided through the use of a scannable barcode or matrix barcode that links to a page on a website maintained by the manufacturer or distributor if that page contains all of the information required by this subdivision.~~

Sec. 101. Minnesota Statutes 2024, section 342.63, subdivision 6, is amended to read:

Subd. 6. **Additional information.** (a) A cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis combination business must provide customers and patients with the following information:

(1) factual information about impairment effects and the expected timing of impairment effects, side effects, adverse effects, and health risks of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(2) a statement that customers and patients must not operate a motor vehicle or heavy machinery while under the influence of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(3) resources customers and patients may consult to answer questions about cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products, and any side effects and adverse effects;

(4) contact information for the poison control center and a safety hotline or website for customers to report and obtain advice about side effects and adverse effects of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products;

(5) substance use disorder treatment options; and

(6) any other information specified by the office.

(b) A cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis combination business may include the information described in paragraph (a) by:

(1) including the information on the label affixed to the packaging or container of cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products ~~by:~~;

~~(1)~~ (2) posting the information in the premises of the cannabis microbusiness, cannabis mezzobusiness, cannabis retailer, or medical cannabis combination business; or

~~(2)~~ (3) providing the information on a separate document or pamphlet provided to customers or patients when the customer purchases cannabis flower, a cannabis product, a lower-potency hemp edible, or a hemp-derived consumer product.

Sec. 102. Minnesota Statutes 2024, section 342.66, subdivision 6, is amended to read:

Subd. 6. **Prohibitions.** (a) A product sold to consumers under this section must not be manufactured, marketed, distributed, or intended:

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

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

(3) to be consumed by combustion or vaporization of the product and inhalation of smoke, aerosol, or vapor from the product;

(4) to be consumed through chewing; or

(5) to be consumed through injection or application to nonintact skin or a mucous membrane ~~or nonintact skin~~, except for products applied sublingually.

(b) A product manufactured, marketed, distributed, or sold to consumers under this section must not:

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

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

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

(4) contain any additives or excipients that have been found by the United States Food and Drug Administration to be unsafe for human or animal consumption;

(5) contain a cannabinoid or an amount or percentage of cannabinoids that is different than the information stated on the label;

(6) contain a cannabinoid, other than cannabidiol, cannabigerol, or a cannabinoid approved by the office, in an amount that exceeds the standard established in subdivision ~~2~~ 3, paragraph (c); or

(7) contain any contaminants for which testing is required by the office in amounts that exceed the acceptable minimum standards established by the office.

(c) No product containing any cannabinoid may be sold to any individual who is under 21 years of age.

Sec. 103. Minnesota Statutes 2024, section 609A.06, subdivision 3, is amended to read:

Subd. 3. **Eligibility; cannabis offense.** (a) A person is eligible for an expungement or resentencing to a lesser offense if:

(1) the person was convicted of, or adjudication was stayed for, a violation of ~~any of the following~~ a first-, second-, third-, fourth-, or fifth-degree controlled substance crime involving the sale or possession of marijuana or tetrahydrocannabinols~~:~~

~~(i) section 152.021, subdivision 1, clause (6);~~

~~(ii) section 152.021, subdivision 2, clause (6);~~

~~(iii) section 152.022, subdivision 1, clause (5), or clause (7), item (iii);~~

~~(iv) section 152.022, subdivision 2, clause (6);~~

~~(v) section 152.023, subdivision 1, clause (5);~~

~~(vi) section 152.023, subdivision 2, clause (5);~~

~~(vii) section 152.024, subdivision (4); or~~

~~(viii) section 152.025, subdivision 2, clause (1)~~ under Minnesota Statutes 2023 Supplement, section 152.021, 152.022, 152.023, 152.024, or 152.025, or a previous version of those or any other statutes criminalizing the possession, sale, transportation, or cultivation of marijuana or tetrahydrocannabinols;

(2) the offense did not involve a dangerous weapon, the intentional infliction of bodily harm on another, an attempt to inflict bodily harm on another, or an act committed with the intent to cause fear in another of immediate bodily harm or death;

(3) the act on which the charge was based would either be a lesser offense or no longer be a crime after August 1, 2023; and

(4) the person did not appeal the conviction, any appeal was denied, or the deadline to file an appeal has expired.

(b) A person who is eligible for an expungement under paragraph (a) is also eligible for an expungement of any other cannabis-related offense that was charged along with the underlying crime described in paragraph (a) and was dismissed.

(c) For purposes of this ~~subdivision, a~~ section, the following terms have the meanings given:

(1) "cannabis-related offense" means an offense described in paragraph (a), clause (1), and also includes an offense described in Minnesota Statutes 2022, section 152.027, subdivisions 3 and 4; and

(2) "lesser offense" means a nonfelony offense if the person was charged with a felony.

Sec. 104. Minnesota Statutes 2024, section 609A.06, subdivision 7, is amended to read:

Subd. 7. **Review and determination.** (a) The Cannabis Expungement Board shall review all available records to determine whether the conviction or stay of adjudication is eligible for an expungement or resentencing to a lesser offense and, if so, whether any dismissed cannabis-related offense is also eligible for expungement. An expungement under this section is presumed to be in the public interest unless there is clear and convincing evidence that an expungement or resentencing to a lesser offense would create a risk to public safety.

(b) If the Cannabis Expungement Board determines that an expungement is in the public interest, the board shall determine whether a person's conviction should be vacated and charges should be dismissed.

(c) If the Cannabis Expungement Board determines that an expungement is in the public interest, the board shall determine whether the limitations under section 609A.03, subdivision 5a, apply.

(d) If the Cannabis Expungement Board determines that an expungement is in the public interest, the board shall determine whether the limitations under section 609A.03, subdivision 7a, paragraph (b), clause (5), apply.

(e) If the Cannabis Expungement Board determines that an expungement is not in the public interest, the board shall determine whether the person is eligible for resentencing to a lesser offense.

(f) In making a determination under this subdivision, the Cannabis Expungement Board shall consider:

(1) the nature and severity of the underlying crime, including but not limited to the total amount of marijuana or tetrahydrocannabinols possessed by the person and whether the offense involved a dangerous weapon, the intentional infliction of bodily harm on another, an attempt to inflict bodily harm on another, or an act committed with the intent to cause fear in another of immediate bodily harm or death;

(2) whether an expungement or resentencing the person a lesser offense would increase the risk, if any, the person poses to other individuals or society;

(3) if the person is under sentence, whether an expungement or resentencing to a lesser offense would result in the release of the person and whether release earlier than the date that the person would be released under the sentence currently being served would present a danger to the public or would be compatible with the welfare of society;

(4) aggravating or mitigating factors relating to the underlying crime, including the person's level of participation and the context and circumstances of the underlying crime;

(5) statements from victims and law enforcement, if any;

(6) if an expungement or resentencing the person to a lesser offense is considered, whether there is good cause to restore the person's right to possess firearms and ammunition;

(7) if an expungement is considered, whether an expunged record of a conviction or stay of adjudication may be opened for purposes of a background check required under section 122A.18, subdivision 8; and

(8) whether the person was also charged with other offenses in addition to the underlying crime, the disposition of those other charges, and other factors deemed relevant by the Cannabis Expungement Board.

(g) In making a determination under this subdivision, the Cannabis Expungement Board shall not consider the impact the expungement would have on the offender based on any records held by the Department of Health; Department of Children, Youth, and Families; or Department of Human Services.

(h) The affirmative vote of three members is required for action taken at any meeting.

Sec. 105. Minnesota Statutes 2024, section 609A.06, subdivision 10, is amended to read:

Subd. 10. **Notice to judicial branch and offenders.** (a) The Cannabis Expungement Board shall identify any conviction ~~or,~~ stay of adjudication, or dismissed cannabis-related offense that qualifies for an order of expungement or resentencing to a lesser offense and notify the judicial branch of:

(1) the name and date of birth of a person whose conviction or stay of adjudication is eligible for an order of expungement or resentencing to a lesser offense;

(2) the court file number of the eligible conviction or stay of adjudication;

(3) whether the person is eligible for an expungement;

(4) if the person is eligible for an expungement, whether the person's conviction should be vacated and charges should be dismissed;

(5) if the person is eligible for an expungement, whether there is good cause to restore the offender's right to possess firearms and ammunition;

(6) if the person is eligible for an expungement, whether the limitations under section 609A.03, subdivision 7a, paragraph (b), clause (5), apply; ~~and~~

(7) if the person is eligible for an expungement, whether the expungement should also apply to any dismissed cannabis-related offense in addition to the underlying crime; and

(8) if the person is eligible for resentencing to a lesser offense, the lesser sentence to be imposed.

(b) The Cannabis Expungement Board shall make a reasonable and good faith effort to notify any person whose conviction or stay of adjudication qualifies for an order of expungement that the offense qualifies and notice is being sent to the judicial branch. Notice sent pursuant to this paragraph shall inform the person that, following the order of expungement, any records of an arrest, conviction, or incarceration should not appear on any background check or study.

Sec. 106. Minnesota Statutes 2024, section 609A.06, subdivision 12, is amended to read:

Subd. 12. **Order of expungement.** (a) Upon receiving notice that an offense qualifies for expungement, the court shall issue an order sealing all records relating to an arrest, indictment or information, trial, verdict, or dismissal and discharge for an offense described in subdivision 3, and any dismissed cannabis-related offense identified by the Cannabis Expungement Board as eligible for expungement. In addition, the court shall order the sealing of all records, including those pertaining to probation, incarceration, or supervision, held by the Department of Corrections or local correctional officials. The courts shall not order the Department of Health; the Department of Children, Youth, and Families; or the Department of Human Services to seal records under this section. If the Cannabis Expungement Board determined that the person's conviction should be vacated and charges should be dismissed, the order shall vacate and dismiss the charges.

(b) If the Cannabis Expungement Board determined that there is good cause to restore the person's right to possess firearms and ammunition, the court shall issue an order pursuant to section 609.165, subdivision 1d.

(c) If the Cannabis Expungement Board determined that an expunged record of a conviction or stay of adjudication may not be opened for purposes of a background check required under section 122A.18, subdivision 8, the court shall direct the order specifically to the Professional Educator Licensing and Standards Board.

(d) The court administrator shall send a copy of an expungement order issued under this section to each agency and jurisdiction whose records are affected by the terms of the order and send a letter to the last known address of the person whose offense has been expunged identifying each agency to which the order was sent.

(e) In consultation with the commissioner of human services, the court shall establish a schedule on which it shall provide the commissioner of human services a list identifying the name and court file number or, if no court file number is available, the citation number of each record for a person who received an expungement under this section.

(f) Data on the person whose offense has been expunged in a letter sent under this subdivision are private data on individuals as defined in section 13.02, subdivision 12.

Sec. 107. **CANNABIS SUPPLY CHAIN STREAMLINING; PROPOSAL.**

By January 15, 2026, the Office of Cannabis Management must submit a proposal to the chairs, co-chairs, and ranking members of the legislative committees and divisions with jurisdiction over cannabis policy on the streamlining of the cannabis supply chain. The proposal must address adult-use cannabis and medical cannabis to allow for the cultivation, manufacturing, storage, and use of equipment in a manner that promotes efficiency, permits co-location, and authorizes the use of equipment for multiple purposes. The proposal must preserve access to medical cannabis for rare and childhood diseases.

Sec. 108. **REPEALER.**

Minnesota Statutes 2024, sections 152.22, subdivision 2; 342.151, subdivision 1; and 342.36, subdivision 5, are repealed.

Sec. 109. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Presented to the governor May 20, 2025