ARTICLE 9

IMPLEMENTATION; APPROPRIATIONS; TRANSFER

Section 1. OFFICE OF CANNABIS MANAGEMENT; IMPLEMENTATION.

(a) $3,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of agriculture for the planning, research, analysis, and other efforts needed to establish the Office of Cannabis Management and transition programs, authorities, and responsibilities contained in Minnesota Statutes, chapter 342, to that office. This is a one-time appropriation and is available until June 30, 2025.

(b) Upon the effective date of this act, the commissioner of agriculture may exercise all authorities and responsibilities granted to the Office of Cannabis Management under Minnesota Statutes, chapter 342, that are necessary to establish the Office of Cannabis Management and transition programs, authorities, and responsibilities to that office.

(c) On or after January 1, 2024, and at such time the Office of Cannabis Management is able to fulfill the powers and duties enumerated in Minnesota Statutes, section 342.02, subdivision 2; the commissioner of agriculture may transfer all or some Minnesota Statutes, chapter 342, programs, authorities, and responsibilities to the Office of Cannabis Management. Upon such transfer, existing contracts, obligations, and funds managed by the commissioner of agriculture that are necessary to administer the transferred programs, authorities, or responsibilities shall be transferred to the Office of Cannabis Management.

ARTICLE 9

APPROPRIATIONS

Sec. 22. APPROPRIATION: DEPARTMENT OF AGRICULTURE.

(a) $3,000,000 in fiscal year 2023 is appropriated from the general fund to the commissioner of agriculture for the planning, research, analysis, and other efforts needed to establish the Office of Cannabis Management and transition programs, authorities, and responsibilities contained in Minnesota Statutes, chapter 342, and implementation activities authorized under article 7, section 16. This is a one-time appropriation and is available until June 30, 2025.

(b) Upon the effective date of this act, the commissioner of agriculture may exercise all authorities and responsibilities granted to the Office of Cannabis Management under Minnesota Statutes, chapter 342, that are necessary to establish the Office of Cannabis Management and transition programs, authorities, and responsibilities to that office.

(c) On or after January 1, 2024, and at such time the Office of Cannabis Management is able to fulfill the powers and duties enumerated in Minnesota Statutes, section 342.02, subdivision 2; the commissioner of agriculture may transfer all or some Minnesota Statutes, chapter 342, programs, authorities, and responsibilities to the Office of Cannabis Management. Upon such transfer, existing contracts, obligations, and funds managed by the commissioner of agriculture that are necessary to administer the transferred programs, authorities, or responsibilities shall be transferred to the Office of Cannabis Management.
(d) To the extent necessary to establish the Office of Cannabis Management and fulfill
the powers and duties enumerated in Minnesota Statutes, section 342.02, the commissioner
of agriculture and the Office of Cannabis Management are exempt from the requirements
of Minnesota Statutes, section 16A.15, subdivision 3, and chapter 16C, and any other state
procurement laws, rules, and procedures. This exemption expires on July 1, 2025.

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

APPROPRIATIONS; TRANSFER:

Office of Cannabis Management. (a) $20,814,000 in fiscal year 2024 and
$17,260,000 in fiscal year 2025 are appropriated from the general fund to the Office
of Cannabis Management for purposes of this act. The base for this appropriation is
$31,787,000 in fiscal year 2026 and $42,344,000 in fiscal year 2027.

(b) Of the base established in paragraph (a), $12,000,000 in fiscal year 2026 and
$20,000,000 in fiscal year 2027 are for cannabis industry community renewal grants. Of
these amounts, up to three percent may be used for administrative expenses.

(c) Of the base established in paragraph (a): $1,000,000 in fiscal year 2026 and
$3,000,000 in fiscal year 2027 are for cannabis industry and nonprofit corporations to fund loans to farmers for expansion into the legal
cannabis industry. Of these amounts, up to three percent may be used for administrative expenses.

Subd. 2. Substance use treatment, recovery, and prevention grant account; transfer. Money for substance use treatment, recovery, and prevention is transferred from the general fund to the substance use treatment, recovery, and prevention grant account established under Minnesota Statutes, section 342.72. The transfer is $4,000,000 in fiscal years 2024 and 2025. The base for this transfer is $12,000,000 in fiscal year 2026 and $16,000,000 in fiscal year 2027.

Subd. 3. Office of Cannabis Management; extension and research grants. (a) $100,000 in fiscal year 2024 and $100,000 in fiscal year 2025 are appropriated from the general fund to the Office of Cannabis Management for grants to the University of Minnesota for cannabis genetics and agronomy research. The base for this appropriation is $750,000 in fiscal year 2026 and beyond.

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

Sec. 5. OFFICE OF CANNABIS MANAGEMENT

Subd. 1. Office of Cannabis Management. (a) $19,814,000 in fiscal year 2024 and
$19,160,000 in fiscal year 2025.

(b) Of the base established in paragraph (a), $2,000,000 each year is for deposit in the CanGrow revolving loan account established under Minnesota Statutes, section 342.69, subdivision 4. Up to three percent of this appropriation may be used for administrative expenses.

SECTION 21

(b) $5,500,000 in fiscal year 2024 and $5,500,000 in fiscal year 2025 are transferred from the general fund to the substance use treatment, recovery, and prevention grant account established under Minnesota Statutes, section 342.68.
(b) Projects involving cannabis genetics and agronomy research that are not currently receiving financial support from the University of Minnesota are eligible for grants under this section. Grant money must be used for the creation and maintenance of a University of Minnesota Extension position and a postdoctoral position.

(c) In awarding grants, the Office of Cannabis Management must give priority to applications by researchers who would be eligible to be social equity applicants as defined in Minnesota Statutes, section 342.16.

Subd. 4. Department of Agriculture. $411,000 in fiscal year 2024 and $411,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of agriculture.

Subd. 5. Attorney General. $358,000 in fiscal year 2024 and $358,000 in fiscal year 2025 are appropriated from the general fund to the attorney general for costs associated with the Cannabis Expungement Board, including but not limited to reviewing records, conducting interviews, drafting subpoenas, moving the court for orders to compel, and drafting memoranda. The base in fiscal year 2029 and thereafter is $0.

Subd. 6. Cannabis Expungement Board. $4,880,000 in fiscal year 2024 and $4,687,000 in fiscal year 2025 are appropriated from the general fund to the Cannabis Expungement Board for staffing and other expenses related to reviewing criminal convictions and issuing decisions related to expungement and resentencing. The base for this appropriation is $4,687,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is $0.

Subd. 7. Department of Commerce. $527,000 in fiscal year 2024 and $1,093,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of commerce for the purposes of this act. The base for this appropriation is $1,341,000 in fiscal year 2026 and $1,520,000 in fiscal year 2027.

Subd. 8. Board of administration. $82,000 each year is to establish appropriate energy standards.
APPROPRIATION AND BASE REDUCTIONS.

(a) The commissioner of management and budget must reduce general fund appropriations to the commissioner of corrections by $165,000 in fiscal year 2024 and $368,000 in fiscal year 2025. The base for this appropriation is reduced by $460,000 in fiscal year 2026 and $503,000 in fiscal year 2027.

(b) The commissioner of management and budget must reduce general fund appropriations to the commissioner of health by $394,000 in fiscal year 2024 and $781,000 in fiscal year 2025 for the administration of the medical cannabis program.

(c) The commissioner of management and budget must reduce state government special revenue fund appropriations to the commissioner of health by $1,712,000 in fiscal year 2024 and $3,424,000 in fiscal year 2025 for administration of the medical cannabis program.

Subd. 9. Department of Education. $180,000 in fiscal year 2024 and $120,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of education for the purposes of this act.

Subd. 10. Department of Employment and Economic Development. (a) $10,400,000 in fiscal year 2024 and $6,700,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of employment and economic development for the CanStartup, CanNavigate, and CanTrain programs. Any unencumbered balances remaining in the first year do not cancel but are available for the second year.

(b) Of the amount appropriated under paragraph (a): $4,000,000 in fiscal year 2024 and $2,619,000 in fiscal year 2025 are for the CanStartup program.

(c) Of the amount appropriated under paragraph (a): $2,000,000 in fiscal year 2024 and $1,884,000 in fiscal year 2025 are for the CanNavigate program.

(d) Of the amount appropriated under paragraph (a): $4,400,000 in fiscal year 2024 and $2,197,000 in fiscal year 2025 are for the CanTrain program.

(b) Of the amount appropriated under paragraph (a): $2,000,000 each year is for deposit in the CanStartup revolving loan account established under Minnesota Statutes, section 116J.659, subdivision 3.

(c) Of the amount appropriated under paragraph (a): $1,000,000 each year is for the CanNavigate program established under Minnesota Statutes, section 116J.659.

(d) Of the amount appropriated under paragraph (a): $3,000,000 each year is for the CanTrain program established under Minnesota Statutes, section 116J.90.
(e) Of these amounts, up to four percent may be used for administrative expenses.

Subd. 11. Department of Health. (a) $9,680,000 in fiscal year 2024 and $18,186,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of health for the purposes of this act.

(b) Of the amount appropriated under paragraph (a), $1,674,000 in fiscal year 2024 and $1,674,000 in fiscal year 2025 are for education for women who are pregnant, breastfeeding, or who may become pregnant. Of this amount, $1,000,000 each year is for media campaign contracts. The base for this appropriation is $3,174,000 in fiscal year 2026 and thereafter.

Of the amounts appropriated in fiscal year 2026 and thereafter, $2,500,000 is for media campaign contracts.

(e) Of the amount appropriated under paragraph (a), $330,000 in fiscal year 2024 and $277,000 in fiscal year 2025 are for data collection and reports. The base for this appropriation is $227,000 in fiscal year 2026 and $277,000 in fiscal year 2027.

(d) Of the amount appropriated under paragraph (a), $719,000 in fiscal year 2024 and $771,000 in fiscal year 2025 are for testing required by this act. The base for this appropriation is $690,000 in fiscal year 2026 and thereafter.

(e) Of the amount appropriated under paragraph (a), $2,998,000 in fiscal year 2024 and $2,998,000 in fiscal year 2025 are for education for youth. Of this amount, $1,000,000 each year is for statewide youth awareness campaign contracts. The base for this appropriation is $4,498,000 in fiscal year 2026 and thereafter. Of the amounts in fiscal year 2026 and thereafter, $2,500,000 is for media campaign contracts.

(f) Of the amount appropriated under paragraph (a), $9,000,000 in fiscal year 2025 is for grants to local health departments for: (1) creation and dissemination of educational materials on cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products; and (2) community education, technical assistance, and outreach on prevention and safe use regarding cannabis flower, cannabis products, lower-potency hemp edibles, and hemp-derived consumer products. The commissioner shall distribute these grants according to a contract with the Local Public Health Association of Minnesota. Of the appropriations in this paragraph, the commissioner may withhold up to ten percent for grant administration and technical assistance to local health departments.
Subd. 6. Administration for Expungement Orders

For administration related to orders issued by the Cannabis Expungement Board. The base for this appropriation is $71,000 in fiscal year 2026, $71,000 in fiscal year 2027, $71,000 in fiscal year 2028, $71,000 in fiscal year 2029, and $0 in fiscal year 2030.

Subd. 7. Grants to the Minnesota Poison Control System

For grants under Minnesota Statutes, section 145.93.

Subd. 8. Temporary Regulation of Edible Products Extracted from Hemp

For temporary regulation under the health enforcement consolidation act of edible products extracted from hemp. This is a onetime appropriation.

Subd. 12. Department of Health; Minnesota Poison Control System; 910,000 in fiscal year 2024 and 810,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of health to support the Poison Control System and award or supplement grants pursuant to Minnesota Statutes, section 145.93.

Subd. 13. Department of Human Services; (a) $1,566,000 in fiscal year 2024 and $1,420,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of human services for the purposes of this act. The base for this appropriation is $1,420,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is $225,000.

(b) Of the amount appropriated under paragraph (a), $1,043,000 in fiscal year 2024 and $1,195,000 in fiscal year 2025 are for the Background Studies Legal Division. The base for consultation requirements under Minnesota Statutes, section 342.68.

Subd. 14. Central Office Administration

For the Office of Inspector General to process additional background studies and for the behavioral health, deaf and hard-of-hearing, and housing division to provide data required under Minnesota Statutes, section 342.04; and
In fiscal year 2026, $5,936,000 is appropriated for technology system changes. This is a one-time appropriation.

In fiscal year 2027, $1,838,000 is appropriated for costs associated with the Substance Use Disorder Advisory Council.

Subd. 14. Department of Labor and Industry. $116,000 in fiscal year 2024 and $123,000 in fiscal year 2025 are appropriated from the general fund to the commissioner for the purposes of this act. This is a one-time appropriation.

Of the amount appropriated under paragraph (a), $322,000 in fiscal year 2024 is for technology system changes. This is a one-time appropriation.

Of the amount appropriated under paragraph (a), $201,000 in fiscal year 2024 and $225,000 in fiscal year 2025 are for costs associated with the Substance Use Disorder Advisory Council.

Subd. 16. Office of Higher Education. $1,000,000 in fiscal year 2024 and $1,000,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of higher education for transfer to the dual training account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10, for grants to employers in the legal cannabis industry. These are onetime transfers. The commissioner shall give priority to applications from employers who are, or who are training employees who are, eligible to be social equity applicants under Minnesota Statutes, section 342.16. After June 30, 2025, any unencumbered balance from this appropriation may be used for grants to any eligible employer under Minnesota Statutes, section 136A.246.

Subd. 17. Pollution Control Agency. (a) $140,000 in fiscal year 2024 and $70,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of the Pollution Control Agency for the purposes of this act. (b) Of the amount appropriated under paragraph (a), $70,000 in fiscal year 2024 is for wastewater staff. This is a one-time appropriation.

Of the amount appropriated under paragraph (a), $322,000 in fiscal year 2024 is for technology system changes. This is a one-time appropriation.

Of the amount appropriated under paragraph (a), $201,000 in fiscal year 2024 and $225,000 in fiscal year 2025 are for costs associated with the Substance Use Disorder Advisory Council.

Subd. 15. Department of Natural Resources. $338,000 in fiscal year 2024 is appropriated from the general fund to the commissioner for the purposes of this act. This is a one-time appropriation.

Of the amount appropriated under paragraph (a), $322,000 in fiscal year 2024 is for technology system changes. This is a one-time appropriation.

Of the amount appropriated under paragraph (a), $201,000 in fiscal year 2024 and $225,000 in fiscal year 2025 are for costs associated with the Substance Use Disorder Advisory Council.

Subd. 14. Department of Labor and Industry. $116,000 in fiscal year 2024 and $123,000 in fiscal year 2025 are appropriated from the general fund to the commissioner for the purposes of this act. This is a one-time appropriation.
Of the amount appropriated under paragraph (a), $70,000 in fiscal year 2024 and $70,000 in fiscal year 2025 are for small business assistance staff.

Subd. 18. Department of Public Safety; Bureau of Criminal Apprehension. (a) $7,945,000 in fiscal year 2024 and $4,543,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of public safety for use by the Bureau of Criminal Apprehension. The base for this appropriation is $3,551,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is $1,495,000.

(b) Of the amount appropriated under paragraph (a), $992,000 in fiscal year 2024 and $992,000 in fiscal year 2025 are for expenses related to identifying and providing records of convictions for certain offenses involving the possession of cannabis that may be eligible for expungement and resentencing. The base for this appropriation is $992,000 in fiscal years 2026, 2027, and 2028. The base in fiscal year 2029 and thereafter is $0.

(c) Of the amount appropriated under paragraph (a), $1,766,000 in fiscal year 2024 and $1,240,000 in fiscal year 2025 are for forensic science services including additional staff, equipment, and supplies.

(d) Of the amount appropriated under paragraph (a), $255,000 in fiscal year 2024 and $255,000 in fiscal year 2025 are for investigation of diversion crimes.

Subd. 19. Department of Public Safety; Office of Traffic Safety. (a) $1,620,000 in fiscal year 2024 and $1,117,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of public safety for use by the Office of Traffic Safety.

(b) Of the amount appropriated under paragraph (a), $125,000 in fiscal year 2024 and $125,000 in fiscal year 2025 are for a statewide impaired driving coordinator with a specific focus on cannabis and other drug driving issues.

(c) Of the amount appropriated under paragraph (a), $1,495,000 in fiscal year 2024 and $992,000 in fiscal year 2025 are to support oral fluid roadside testing.
Subd. 4. **Office of Justice Programs**

295.4 $20,000

Subd. 5. **For a grant to Hennepin County to produce**

295.5 $295.4

Subd. 6. **the High Intensity Drug Trafficking Area**

295.6 $295.4

Subd. 7. **report in article 6, section 61.**

295.7 $295.4

Subd. 8. **State Patrol**

295.8 $16,157,000

Subd. 9. **$6,157,000 the first year and $2,218,000 the second year are from the trunk highway fund.**

295.9 $295.4

Subd. 20. **Department of Public Safety; State Patrol.**

297.3 $6,157,000 in fiscal year 2024

297.4 and $2,218,000 in fiscal year 2025 are appropriated from the trunk highway fund to the commissioner of public safety for use by the Minnesota State Patrol for the purposes of this act, including but not limited to replacing drug detection canines, providing accident reconstruction services, identifying and investigating incidents and offenses that involve driving under the influence, and sealing expunged records.

297.5

Subd. 21. **Department of Public Safety; State Patrol**

297.6 $10,000,000 in fiscal year 2024

297.7 and $5,000,000 in fiscal year 2025 are appropriated from the general fund to the Minnesota State Patrol for its drug evaluation and classification program for drug recognition evaluator training, additional phlebotomists, drug recognition training for peace officers, as defined in Minnesota Statutes section 626.84, subdivision 1, paragraph (c); and required continuing education training for drug recognition experts.

297.8

Subd. 22. **Department of Revenue.**

297.9 $3,709,000 in fiscal year 2024 and $3,145,000 in fiscal year 2025 are appropriated from the general fund to the commissioner of revenue for the purposes of this act. The base for this appropriation is $3,157,000 in fiscal year 2026 and beyond.

297.10

Subd. 23. **Supreme court.**

297.11 $545,000 in fiscal year 2024 and $545,000 in fiscal year 2025 are appropriated from the general fund to the supreme court for reviewing records and issuing orders related to the expungement or resentencing of certain cannabis offenses. The base for this appropriation is $545,000 in fiscal year 2026 and thereafter.
For treatment courts.

Sec. 19. UNIVERSITY OF MINNESOTA $2,500,000 $2,500,000

To establish a Center for Cannabis Research within the School of Public Health. The center must investigate the effects of cannabis use on health and research other topics related to cannabis, including but not limited to prevention and treatment of substance use disorders, equity issues, education, and decriminalization.