

83.24

**ARTICLE 6**

83.25

**CANNABIS FINANCE POLICY**

83.26

Section 1. Minnesota Statutes 2024, section 342.17, is amended to read:

83.27

**342.17 SOCIAL EQUITY APPLICANTS.**

83.28

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

84.1

84.2

84.3

(1) was convicted of, received a stay of adjudication under chapter 609 for, or was adjudicated delinquent under chapter 260B of an offense involving the possession or sale of cannabis or marijuana prior to May 1, 2023;

84.4

84.5

(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;

84.6

84.7

(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;

84.8

84.9

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

84.10

84.11

(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;

84.12

84.13

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

84.14

84.15

84.16

(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;

84.17

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

84.18

84.19

84.20

84.21

(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;

84.22

84.23

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

84.24

84.25

84.26

(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

84.27

84.28

84.29

(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.

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

85.1 Sec. 2. Minnesota Statutes 2024, section 342.37, is amended by adding a subdivision to  
85.2 read:

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

85.7 (1) submits documentation to the office demonstrating that the applicant has a signed  
85.8 contract with a laboratory accreditation organization approved by the office, has scheduled  
85.9 an audit, and is making progress toward accreditation by a laboratory accrediting organization  
85.10 approved by the office according to the standards of the most recent edition of ISO/IEC  
85.11 17025: General Requirements for the Competence of Testing and Calibration Laboratories;

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

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

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

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

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

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

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

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

85.27 (1) is not making progress toward accreditation; or

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

- 85.30        (e) The office must not issue or renew a cannabis testing facility license under this  
85.31 subdivision for a license holder if the license holder's accreditation has been suspended or  
85.32 revoked by a laboratory accrediting organization.
- 86.1        Sec. 3. Minnesota Statutes 2024, section 342.37, is amended by adding a subdivision to  
86.2 read:
- 86.3        Subd. 2b. **Loss of accreditation.** (a) A license holder must report loss of accreditation  
86.4 to the office within 24 hours of receiving notice of the loss of accreditation.
- 86.5        (b) The office must immediately revoke a license holder's license upon receiving notice  
86.6 that the license holder has lost accreditation.