



## Summary of SF 619 and HF 420

*Legislation to regulate cannabis for adult use in Minnesota*

### **Adult-Use Possession Limits**

- Adults aged 21 or older could possess up to an ounce of cannabis, eight grams of concentrates, and cannabis products containing up to 800 milligrams of THC.

### **Personal-Use Cannabis Cultivation Permit**

- Adults may apply for a permit to grow up to four plants (two mature). Applicants must:
  - Submit planned security precautions and pay a to-be-determined fee; and
  - Take a training course, which would include information on cultivation limits and the prohibition on selling one's cannabis, and pass an exam on the course.
- Permits will list the cultivation location and the person's name and date of birth.
- Permits must be renewed every two years.

### **Health Department Licensing**

- The health commissioner will license and regulate four types of cannabis businesses: retail stores, cultivation facilities, product manufacturers, and laboratories.
- Licenses would be renewed annually.
- Licensees must be Minnesota residents or have been domiciled in Minnesota recently.
- Each location must have a separate license. A person could only hold one of each type of license, except that a person may have five retailer licenses, with no more than two per city or town. Individuals with a lab license cannot have any other type of license.

### **Public-Health Focused Regulation**

- In crafting rules, the commission must apply standards to protect public health.
- An advisory council of public health professionals and healthcare professionals would advise the commission on public health standards.
- Rules will include measures to prevent diversion, along with requirements for health and safety, employment and training, advertising, and testing.
- Safety standards for edibles may limit the type that can be sold.
- Security requirements include alarm systems, facility access controls, a perimeter intrusion detection system, and a personnel identification system.
- Cultivators must use seed-to-sale tracking.
- No one who is under 21 years of age may enter a cannabis establishment.
- Cannabis products must be packaged in plain, opaque, childproof containers that cannot depict the product, cartoons, or any images other than the retailer's logo.
- Cannabis could not be added to trademarked foods, except as a component of a recipe where there is no mention of the trademarked food product.
- Cannabis-infused products must be easily distinguished from non-cannabis products.
- Cannabis must be tested and labeled for THC and CBD content. Testing must also analyze residual solvents, harmful chemicals, fungus, banned or excessive pesticide residue, heavy metals, and other contaminants.

### **Local Control**

- Local governments may ban any type of cannabis establishment.
- Local governments may enact more restrictive regulations, if they determine doing so is necessary to protect the public health. They may enact rules on the time, place, and manner of the operation of cannabis establishments, or the number of them.
- Localities may impose a tax on retail sales of cannabis; the limit would be determined later in the legislative process.

### **Employment, Tenants, and Private Property Owners**

- Landlords could not prohibit possession or non-smoked consumption by tenants, unless an exception applies such as federal rule requiring such action.
- Other property owners may prohibit the use, display, transfer, and growing of cannabis.
- Employers would not have to accommodate employees who are under the influence or the possession of cannabis at work. They could also take adverse action against employees who violate a workplace drug policy. However, employees could not be disciplined solely for metabolites of cannabis in their system.

### **Other Limitations**

- The bill would not allow onsite consumption or any public consumption of cannabis.
- Cannabis could not be delivered or shipped to customers.
- It would be a misdemeanor to use cannabis in a car that is on a street or highway.
- The Clean Indoor Air Act would be revised to apply to any lighted cannabis and any vaporization, of cannabis or anything else. It would forbid cannabis users, including patients, from vaporizing at medical facilities including hospitals. In nursing homes, patients could vaporize in designated areas where they may be exposed to cigarettes.

### **Automatic Expungement**

- Criminal records for possession of marijuana in a car or for possession or sale of a small amount of cannabis would be expunged. Expungement fees would be waived.
- By January 15, 2020, the state attorney general's office would be required to attempt to notify individuals who qualify for expungement.

### **Taxation and Fees**

- Cannabis is taxed as a percent of the sales price, but the rate is left blank for now.
- Applicants would pay a non-refundable application fee of \$1,000.
- Licensing fees are left blank. Regulators may tier them based on the business size.
- After paying for the costs of administration, revenue allocations would include:
  - \$10 million per year for grants to small businesses that employ individuals with a criminal record or that are located in an area with a poverty rate of at least 20%;
  - 10% to the commissioner of human services for mental health services;
  - 10% to train police officers on how to recognize cannabis-impaired drivers;
  - 10% for research on the public health impacts of cannabis consumption;
  - 10% for a cannabis education and public health programs, including a hotline to substance abuse treatment referrals, grants for coordinated intervention strategies to reduce youth cannabis consumption, and media-based education campaigns; and
  - 60% to the General Fund.

### **Timeline**

- Personal cultivation licenses would be accepted by December 1, 2019, with the first permits issued by January 1, 2020.
- Regulations are due by January 1, 2021, with applications accepted by October 1, 2021.
- Retail sales would begin by January 1, 2022.

### **Medical Cannabis At Schools**

- The complete prohibition on medical cannabis at schools would be relaxed. Students who are 18 could self-administer, and younger students could have cannabis administered to them. Smoking and vaporizing at schools would still be prohibited.