



2015 First Avenue, Anoka, MN 55303
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CITY OF ANOKA SALE OF LOWER-POTENCY HEMP PRODUCTS REGISTRATION ANNUAL RENEWAL APPLICATION

ANNUAL FEES: Fees for registrations are set annually by the Anoka City Council through adoption of a Master Fee Schedule.

Annual Renewal Fee: **\$125.00**

NOTICE: The application and ALL required documents must be submitted no later than **DECEMBER 1st**. DO NOT SUBMIT AN APPLICATION THAT IS INCOMPLETE OR MISSING INFORMATION; IT WILL BE REJECTED, RETURNED AND SUBJECT TO A LATE PENALTY FEE OF 10% OF THE TOTAL REGISTRATION FEE OR \$25, WHICHEVER IS GREATER. **Payment of the registration fee is due along with the renewal application.**

This application must be completed by: if by a natural person, by such person; if by a corporation or LLC, by an officer of the corporation or LLC; if by a partnership, by one of the partners; if by an unincorporated association, by the manager or managing officer of the association.

INSTRUCTIONS: If you have no ownership changes from the previous years' application, check the "HAS NOT" box and continue completing this form. If you have changes from the previous years' application, check the "HAS" box and request a copy of a full application. If there has been a change in ownership, you must apply as a new applicant.

1. The information supplied on last year's renewal or original registration application HAS NOT changed.
(Even if nothing changed, this application must still be filled out completely, DO NOT LEAVE BLANK)
2. The information supplied on last year's renewal of our original registration application HAS changed.

PART I

INDIVIDUAL COMPLETING RENEWAL APPLICATION

This individual must be the business owner or a corporate officer.

Full Name (<i>First, Middle, Last</i>):	
Residence Address (include street address, city, state, zip)	Mailing Address if different:
Phone Number (including area code):	Alternate Phone Number (& email address REQUIRED):
Date of Birth:	Minnesota Driver's License # or State ID #:

Is the Applicant 21 years of age or older? Yes No (if no, you are not eligible for this registration)

PERSONAL HISTORY INFORMATION

*If the application is submitted on behalf of a Partnership, LLC or Corporation,
this Personal History Information must be completed by all individuals
including the applicant, partners, officers and directors.
(attach additional sheets as necessary)*

If you have resided at the above address for less than ten (10) yrs, please list previous addresses.

Previous Residence Address(s)

Have you ever applied for or held a license or registration to conduct a like or similar activity in any other City or State, not including Anoka? No Yes. If yes, please provide details. *(attach additional sheets as necessary)*

Date	Description of Activity	Location: City & State

Have you ever been denied a license or registration to conduct a similar or like activity or had such a license or registration suspended or revoked in any City, State, including Anoka? No Yes. If yes, please provide details. *(attach additional sheets as necessary)*

Date	Description (i.e. denial, suspension or revocation)	Location: City & State

At any time, have you been convicted of any felony, crime or violation of a federal or state law or local ordinance other than a misdemeanor traffic violation. No Yes. If yes, please provide details. *(attach additional sheets as necessary)*

Date of Offense	Charge	Location (City/State)	Date of Conviction

REGISTRANT'S CONTACT INFORMATION

List the individual that will serve as the City Contact person for the registration application and registration related questions.

Name (<i>First, Last</i>):	
Address (include street address, city, state, zip)	Phone Number (including Area Code):
Email Address:	

PART II

BUSINESS INFORMATION

Legal Name of Business:	Trade Name (dba):
Business Address Registered Premise:	Mailing Address, if different:
Business Phone Number:	Days & Hours of Operation:

Are you the owner of the property premises for which this registration would be granted for? Yes No

If not, you must attach proof of your authorized use or lease with the property owner, which provides the name, address and phone number of the property owner(s).

Are you the sole owner for the business for which this registration will be granted? Yes No

If not, you must provide the following information for each person that is a joint owner or partner. (attach additional sheets as necessary) These individuals must also complete a Tennessee Warning Form.

 Joint Owner/Partner (Full First, Middle, Last Name)

 Home Street Address City/State Zip Code

 Home phone (including Area Code) Cell Phone (including Area Code)

Date of Birth: _____ Driver's License #: _____

State of Issuance: _____

BUSINESS LOCATION CONTACT INFORMATION

List the individual that will serve as the Business Location Contact Person, i.e. Store Manager.

Name:	
Address (include street address, city, state, zip)	Mailing Address, if different:
Phone Number (including area code):	Alternate Phone Number (& email address):

TYPE OF PRODUCTS SOLD

- Confectionaries
- Gummies
- THC Beverages
- Tinctures

STATEMENT OF APPLICANT APPLYING FOR LICENSURE

(I) do hereby swear that the answers in this application are true and correct to the best of my knowledge. I do authorize the City of Anoka, its agents, and employees, to obtain any necessary information and to conduct an investigation, if necessary, into the truth of the statements set forth in this application and the qualifications for said registration. I do understand that providing false information shall be grounds for denial of my registration. I fully understand that it is my responsibility to be familiar with and abide by the requirements of the City, which is detailed in the pertinent section of the Anoka City Code, which is available on the City website at www.ci.anoka.mn.us or upon request from the City Clerk and to be familiar with and abide by the laws of the City of Anoka and the State of Minnesota relating to this licensure. I further understand that I must submit any changes in my application within thirty (30) days of the effective date of the change and that I will abide by all requirements regarding the approval of such change as stated in the Anoka City Code and State Law. I understand that the information supplied within this application is classified as public data and will be provided to the public upon request.

Signature of Applicant: _____

Title: _____

Date: _____

REQUIRED REGISTRATION APPLICATION DOCUMENTS

- City Registration Renewal Application
- Copy of the LPHE License Renewal Issued by the Office of Cannabis Management
- Worker's Compensation Form (*attached – required by State of Minnesota*) [**& Copy of Insurance**]
- SP:C1 Tax Clearance Form (*attached – required by State of Minnesota*)
- Tennessen Warning (***completed by all applicable person's as described in application***)
- Annual Fee: **\$125.00**



CERTIFICATE OF COMPLIANCE
MINNESOTA WORKER'S COMPENSATION LAW

PRINT LEGIBLY IN INK OR TYPE

Minnesota Statute, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business or engage in any activity in Minnesota until the applicant presents acceptable evidence of compliance with the worker's compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. The required worker's compensation insurance information is the name of the insurance company, the policy number, and the dates of coverage, or the permit to self-insure. If the required information is not provided or is falsely stated, it shall result in a \$2,000 penalty assessed against the applicant by the Commissioner of the Department of Labor and Industry.

ALL APPLICANTS: I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

Signature: _____

Printed Name: _____

Title: _____ Date: _____

I am not required to have worker's compensation insurance coverage because:

- I have no employees
 I have employees but they are not covered by worker's compensation law.
(see Minnesota Statute 176.041 for a list of excluded employees)

Explain why your employees are not covered: _____

COMPLETE THIS PORTION ONLY IF YOU ARE INSURED: *A valid worker's compensation policy must be always kept in effect by employers as required by law*

Business Name (Individual name only if no company name is used):

DBA (if applicable): _____

Address (must include street address): _____

Insurance Company Name (not agent): _____

Workers Compensation Policy No.: _____

Effective Date: _____ Expiration Date: _____

IF SELF-INSURED - ATTACH A COPY OF THE PERMIT TO SELF-INSURE

NOTE: If your worker's compensation policy is cancelled within the license period, you must notify the agency who issued the license/permit by resubmitting this form.



SP:CI TAX CLEARANCE FORM

(This form may contain private data – do not release to public)

PRINT LEGIBLY IN INK OR TYPE

Pursuant to Minnesota Statute, Section 270C.72 Tax Clearance; Issuance of Licenses, the licensing authority is required to provide to the Minnesota Commissioner of Revenue your Minnesota Business Tax Identification Number and/or the Social Security Number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we are required to advise you of the following regarding the use of this information:

1. This information may be used to deny the issuance, renewal, or transfer of your license in the event you owe the Minnesota Department of Revenue delinquent taxes, penalties, or interest.
2. Upon receiving this information, the licensing authority will supply it only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Agreement, the Department of Revenue may supply this information to the Internal Revenue Service.
3. Failure to supply this information may jeopardize or delay the processing of your license, its' issuance or renewal.

Please supply the information and return this form along with your application to the agency issuing your license. DO NOT RETURN TO THE DEPARTMENT OF REVENUE.

Licensing Authority: CITY OF ANOKA, MINNESOTA

Signature: _____

Printed Name: _____

Date: _____

PERSONAL INFORMATION: *Complete this section only if you are applying as an individual and/or do not hold a Minnesota Tax Identification # or Federal Tax Identification #.*

Applicant Name: _____

Applicant Address: _____

Social Security Number: _____

BUSINESS INFORMATION: *Complete this section only if you are applying as a business.*

Business Name: _____

Db: _____

Minnesota Tax Identification #: _____

Federal Tax Identification #: _____

For businesses: If Minnesota Tax Identification # is not required, you must submit a written explanation.



**APPLICATION FOR LICENSE INVOLVING
PRIVATE OR CONFIDENTIAL INFORMATION
(Tennessee Warning)**

THIS FORM MUST BE COMPLETED BY ALL INDIVIDUALS LISTED IN APPLICATION

In connection with your request for a license/registration the City of Anoka has asked that you provide it with information about yourself which is classified as either *private* or *confidential* by the Minnesota Government Data Practices Act (M.S.A. 13.04). Accordingly, the City is required to inform you of the following:

1. The private or confidential information requested includes, but may not necessarily be limited to, the following: *Your social security number or Minnesota business identification number.*
2. The purpose and intended use of the information requested is: *To comply with Minnesota Statutes, Section 270C.72.*
3. You are required to supply the requested information.
4. The known consequence of supplying the requested information is as follows: *Loss or denial of the requested license if you owe the State of Minnesota delinquent taxes, penalties or interest.*
5. The known consequences of refusing to supply the requested information is: *Your request for a license cannot be processed.*
6. The following persons and entities are authorized by law to receive the information if provided: *State of Minnesota - Department of Revenue and other government agencies as provided by law.*

The undersigned, by signing this notice, acknowledges that he/she has read and understood the contents of this notice.

Applicant's Signature: _____

Printed Name of Applicant: _____

Date: _____ DOB: _____

Code
Chapter 22 – BUSINESSES AND SERVICES

**ARTICLE XII. CANNABIS AND LOWER POTENCY HEMP BUSINESS
REGISTRATION**

Sec. 22-801. Purpose.

The purpose of this Section is to implement the provisions of Minn. Stat. Ch. 342 which authorizes the City to protect the public health, safety, and welfare of Anoka residents by requiring registration and regulations of cannabis retail businesses in accordance with Minnesota law. The City recognizes that the unregulated use of cannabis products and lower-potency hemp products poses risks to the health, safety, and welfare of its residents, particularly those under the age of 21.

Sec. 22-802. Findings of City Council.

The City Council makes the following findings regarding the need to regulate, register, and inspect business establishments that sell certain cannabis products:

- (1) The proposed provisions are appropriate and lawful land use regulations for the City of Anoka.
- (2) The proposed provisions are in the public interest and for the public good and protect the public health, safety, and welfare of Anoka residents.

Sec. 22-803. Authority and Jurisdiction.

The Anoka City Council has the authority to adopt this ordinance pursuant to:

- (1) Minn. Stats. §342.13(c), regarding the authority of a local unit of government to adopt reasonable restrictions of the time, place, and manner of the operation of a cannabis retail business provided that such restrictions do not prohibit the establishment or operation of cannabis retail businesses.
- (2) Minn. Stats. §342.22, regarding the local registration and enforcement requirements of state-licensed cannabis retail businesses and lower-potency hemp edible retail businesses.
- (3) Minn. Stats. §152.0263, subd.5, regarding the use of cannabis in public places.
- (4) Minn. Stats. §462.357, regarding the authority of a local authority to adopt zoning ordinances.

Sec. 22-804 Definitions.

Unless otherwise noted in this Section, words and phrases contained in Minn. Stats. §342.01 and the rules promulgated pursuant to any of these acts, shall have the same meanings in this ordinance.

Adult-Use Cannabis Product means a cannabis product that is approved for sale by the OCM or is substantially similar to a product approved by the OCM. Adult-Use Cannabis Product includes edible cannabis products but does not include Medical Cannabinoid Products or lower-potency hemp edibles.

Cannabis Retail Business means a business that is licensed or required to be licensed by the State of Minnesota as a cannabis retailer, cannabis mezzobusiness with retail operations endorsement, cannabis microbusiness with retail operations endorsement, or medical cannabis combination business operating a retail location, and lower-potency hemp edible retailers.

Cannabis Retailer means any person, partnership, firm, corporation, or association, selling cannabis product to a consumer and not for the purpose of resale in any form.

City means the City of Anoka, Minnesota.

Compliance Check means the system used by the City to investigate and ensure that those authorized to sell products subject to licensing and registration are following and complying with the requirements of this Article and state law. Compliance checks involve the use of persons under the age of 21 who purchase or attempt to purchase such products.

Daycare means a location licensed with the Minnesota Department of Human Services to provide the care of a child in a residence outside the child's own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

Lower-Potency Hemp Edible is as defined under Minn. Stats. §342.01, subd. 50.

Lower-Potency Hemp Edible Retailer means a hemp business, as defined by Minn. Stats. §342.01, subd. 34, that holds a valid lower-potency hemp edible retail license.

Office Of Cannabis Management means the Minnesota Office of Cannabis Management, herein referred to as "OCM".

Person means one or more natural persons; a partnership, including a limited partnership; a corporation, or nonprofit corporation; a trust; a political subdivision of the state; or any other business organization.

Place of public accommodation means a business, refreshment, entertainment, recreation, or transportation facility of any kind, whose goods, services, facilities, privileges, advantages, or accommodations are extended, offered, sold, or otherwise made available to the public.

Preliminary License Approval means an OCM pre-approval for a Cannabis Retail Business license for applicants who qualify under Minn. Stats. §342.17.

"Public place" is a public park or trail, public recreation area, public street or sidewalk, any publicly owned property, any enclosed area used by the general public, including, but not limited to, theaters; restaurants; bars; food establishments and their decks; places licensed to sell intoxicating liquor, wine, or malt beverages; retail businesses; auditoriums; arenas; gyms; common areas of buildings; public shopping areas; and other places of public accommodation. A public place does not include the following:

- (a) A private residence, including the individual's curtilage or yard;
- (b) A private property, not generally accessible by the public, unless the individual is explicitly prohibited from consuming cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products on the property by the owner of the property; or
- (c) On the premises of an establishment or event licensed to permit on-site consumption.

Residential Treatment Facility is as defined under Minn. Stats. §245.462 subd. 23.

Retail Registration means an approved registration issued by the City of Anoka to a state- licensed Cannabis Retail Business.

Retail Sale means any transfer of goods for money, trade, barter, or other consideration for cannabis or lower-potency hemp edible products.

School means a public school as defined under Minn. Stats. §120A.05 or a nonpublic school that must meet the reporting requirements under Minn. Stats. §120A.24.

Self-Service Or Automated Sale means any sale, including online sales, of a cannabis product that is accessible to the public without the personal assistance of an employee of the licensed establishment.

Smoking means inhaling, exhaling, burning, or carrying any lighted or heated cigar, cigarette, pipe, or any other lighted or heated product containing, made or derived from, nicotine, lobelia, tobacco, cannabis, marijuana, hemp, or other plant, or any other substance, whether natural or synthetic, that is intended for inhalation. Smoking also includes carrying or using an activated electronic delivery device.

State License means an approved license issued by the OCM to a Cannabis Retail Business.

Sec. 22-805. Limit of Privately Held Cannabis Retail Businesses Licensed in the City of Anoka to Sell Adult-Use Cannabis Products.

- (a) The number of licensed cannabis retail businesses in the City that may receive a retail registration to sell adult-use cannabis products is limited to one (1) private business for every 12,500 residents.
- (b) If Anoka County has the equivalent of one (1) active Cannabis Retail Business registration for every 12,500 residents in the County licensed to sell adult-use cannabis products, then the City shall not be required to register additional state-licensed private Cannabis Retail Businesses to sell adult-use cannabis products.

Sec 22-806. City of Anoka Operated Cannabis Retail Businesses.

The City of Anoka may operate Cannabis Retail Businesses at the discretion of the Anoka City Council. A City operated Cannabis Retail Business selling adult-use cannabis products shall not be counted against the license limits under Section 22-805(a).

Sec. 22-807. City Cannabis Retail Business Registration Required.

No person shall operate a Cannabis Retail Business or make any sale, without first being registered by the City pursuant to Minn. Stats. §342.22.

(a) *Application submittal.* Registration shall be made by fully completing and submitting to the City the registration form provided by the City. The registration form shall contain the following information:

- (1) Full name and date of birth of the applicant;
- (2) Mailing address, email address, and telephone number for the applicant;
- (3) Legal name of the Cannabis Retail Business to be registered;
- (4) A copy of the Cannabis Retail Business' current license or license preapproval issued by OCM;
- (5) The address, full name of the property owner, and parcel ID of the property on which the Cannabis Retail Business is to operate;
- (6) Signature of the applicant or the authorized agent of the legal entity applicant;
- (7) If the applicant is a legal entity, the following information shall be provided for the person designated as the general or primary manager on site: the full name, date of birth, mailing address, contact telephone number, email address; and
- (8) Any additional information the City deems necessary.

(b) *Application approval.* The registration shall not be approved or renewed if the applicant is unable to meet the requirements of this Section. A retail registration will be approved and in effect only so long as the following requirements are met:

- (1) The applicant holds a valid license or license preapproval issued by OCM to the Cannabis Retail Business;
- (2) The applicant paid the total sum of the initial registration fee and first year renewal fee as required in Section 22-808 of this City Code and in the amounts set forth in the City's official Master Fee Schedule;
- (3) If applicable, the Cannabis Retail Business is current on all property taxes and assessments for the property on which the business is located;
- (4) If the registration form is incomplete, the retail registration shall not be issued and the City will provide the applicant notice of the deficiencies; and
- (5) Prior to issuance of a retail registration, the City and any other required or assigned City staff shall conduct a preliminary compliance check to ensure that the Cannabis Retail Business is compliant with the zoning code, building code, and performance standards for Cannabis Retail Businesses established in this Section and elsewhere in this City Code. Pursuant to Minn. Stats. §342.13, within 30 days of receiving a copy of a state license application from OCM, the City shall certify whether the applicant complies with City code.

(c) *Renewal of registration.* A retail registration shall be renewed when OCM renews the license of the business, provided that the Cannabis Retail Business submits to the City a renewal registration form provided by the City, the information and documentation required by this Section for a new application, and payment of the applicable renewal Cannabis Retail Business registration fee established as part of the City's official Master Fee Schedule.

(d) *Change in location.* If a state-licensed Cannabis Retail Business seeks to move to a new location within the City, it shall submit a new application for retail registration for the new location prior to the relocation. No additional registration fee or renewal fee shall be required for a change in location.

(e) *Registration is non-transferable.* A retail registration issued under this Section shall not be transferred to another person or to a different Cannabis Retail Business.

(f) *Display of license and registration.* Licenses issued by the OCM and retail registrations issued by the City shall be displayed in plain view for the public in the licensed premises.

Sec. 22-808. City Registration and Renewal Fees.

No retail registration shall be approved or renewed under this Section until the applicable registration or renewal fee is paid in full. Fees shall be non-refundable upon payment and submission of a complete application for registration or renewal.

Registration and renewal fees shall be as set forth in the City's official Master Fee Schedule adopted annually and amended from time to time. The initial and renewal registration fees shall be the maximum allowable as provided by Minn. Stats. §342.22 and all fees in all other

respects shall comply with the requirements of state law. The City may charge a renewal fee for the registration starting at the second renewal, as established in the City's official Master Fee Schedule.

Sec. 22-809. Locations Ineligible For Adult-Use Cannabis Retail Registration.

- (a) No registration shall be granted to:
 - (1) Any Cannabis Retail Business selling adult-use cannabis products that is not in full compliance with this Code, the City's zoning regulations and property maintenance code, the building code, the fire code, and all provisions of state and federal law;
 - (2) A Cannabis Retail Business selling adult-use cannabis products seeking to operate within 500 feet of: (i) a school; (ii) a day care; (iii) a residential treatment facility; (iv) an attraction within a public park that is regularly used by minors, including a playground, athletic field, tennis/pickleball courts, ice arena, or related, as officially mapped by the City and approved by the City Council; or (v) another Cannabis Retail Business selling adult-use cannabis products.

(b) The distance shall be measured in a straight line from the premises' lot line to the nearest point of the lot on which the school, daycare, residential treatment facility, public park, or other Cannabis Retail Business selling adult-use cannabis products is located. For Cannabis Retail Businesses selling adult-use cannabis products located in shopping centers or business developments, the distance shall be measured from the main entrance of the Cannabis Retail Business.

(c) A location for which a state license and City registration was lawfully granted, and where a Cannabis Retail Business has been in continuous operation, is not subsequently ineligible for renewal by reason of proximity to a school, daycare, residential treatment facility, or an attraction within a public park that is regularly used by minors that moves in after the initial state license and City retail registration were issued.

Sec. 22-810. Restrictions.

(a) *Hours of operation.* Cannabis Retail Businesses are limited to retail sale of cannabis, cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products between the hours of 8:00 a.m. and 10:00 p.m. Monday thru Saturday, and between the hours of 11:00 a.m. and 6:00 p.m. on Sundays.

(b) *Age verification.* No cannabis flower, cannabis products, lower-potency hemp edibles, or hemp-derived consumer products shall be sold to any person under 21 years of age. Applicants shall verify by means of government issued photographic identification, as required by Minn. Stats. §342.27, subd. 4, that a purchaser is at least 21 years of age. Applicants shall post

signage advising of the minimum legal age for purchases. Notice of the legal sale age and verification requirement shall be posted prominently and in plain view.

(c) *Mobile sales and delivery.* All retail sales of cannabis, lower-potency hemp edibles, and hemp-derived consumer product must be conducted within a building and within the licensed and registered premises. A licensed or registered Cannabis Retail Business must hold a cannabis delivery service license under Minn. Stats. §342.41 prior to conducting cannabis, lower-potency hemp edible, or hemp-derived consumer product delivery services in the City.

(d) *Zoning.* The Cannabis Retail Business shall comply with all provisions of this Chapter and with zoning regulations in Chapter 78 of this City Code. The Cannabis Retail Business shall comply with all Minnesota laws and licensing conditions regulating Cannabis Retail Businesses.

(e) *Display and storage.* The display and storage of cannabis flower, cannabis products, lower-potency hemp edibles and hemp-derived consumer products shall be in accordance with Minn. Stats. §342.27.

(f) *Self-service or automated sale.* No person shall provide any cannabis product, lower-potency hemp edible, or hemp-derived product to any person by means of self-service or automated sale. All retail sales shall be done with the assistance of an employee.

(g) *Samples prohibited.* No person shall distribute samples of any cannabis or lower-potency hemp edible product free of charge or at a nominal cost.

Sec. 22-811. Compliance Checks.

All Cannabis Retail Businesses licensed by OCM and registered by the City shall be open to inspection by the City during the regular business hours of the business. From time to time, but no less than once per calendar year, the City will conduct unannounced age verification compliance checks to ensure compliance with the provisions of Minn. Stats. §342 and this Article. All age verification compliance check failures will be reported to OCM.

Sec. 22-812. Sanctions For Violations.

(a) *Suspension of registration.* A suspension of a retail registration issued under this Article shall take place in accordance with Minn. Stats. §342.22. The City may suspend a retail registration if it violates this Article or poses an immediate threat to the health or safety of the public. The City shall immediately notify the Cannabis Retail Business in writing of the grounds for the suspension.

(1) *Public hearing.* Prior to suspension of a retail registration, the City shall provide written notice to the applicant and a public hearing before the City Council. The notice shall give at least eight calendar days' notice of the time and place of the hearing and shall state the nature of the charges against the applicant.

(2) *Reinstatement.* The City may reinstate a retail registration if OCM determines the violation(s) have been resolved or if OCM revokes or suspends the state-license for a period less than the suspension issued by the City Council.

(b) *Notification to OCM.* The City shall immediately notify the OCM in writing of the grounds for the suspension.

(c) *Civil penalties.* Subject to Minn. Stats. §342.22, subd. 5(e) the City may impose a civil penalty for a violation of this Article, not to exceed \$2,000, as follows:

(1) Any state-licensed Cannabis Retail Business that sells to a customer or patient without valid retail registration shall incur a civil penalty of \$2,000 for each violation.

(2) For a first violation, other than sale without a retail registration, the fine as set forth in the City's official Master Fee Schedule;

(3) For a second violation, other than sale without a retail registration, at the same location within five years of the first violation, the fine set forth in the City's official Master Fee Schedule;

(4) For a third violation, other than sale without a retail registration, at the same location within five years of the first violation, the City Council shall suspend the retail registration after a public hearing for a minimum of seven calendar days and impose a civil penalty set forth in the City's official Master Fee Schedule; and

(5) For a fourth or subsequent violations at the same location within five years of the first violation, the City Council shall suspend a retail registration after a public hearing for 30 calendar days, unless OCM suspends the license for a longer period, impose a civil penalty as set forth in the City's official Master Fee Schedule for each additional violation, or impose any combination of these sanctions.

Sec. 22-813. Penalty For Individuals.

Any violation of the provisions of this Article or failure to comply with any of its requirements constitutes a misdemeanor and is punishable as defined by law. Nothing in this Article shall be construed to limit the City's other available remedies for any violation of law, including without limitation, criminal, civil, and injunctive relief.

Sec. 22-814. Severability.

If any part, term, or provision of this Article is held by a court of competent jurisdiction to be invalid, preempted by state law, or unconstitutional, such portion shall be deemed severable and such unconstitutionality or invalidity shall not affect the validity of the remaining portions of this article, which remaining portions shall continue in full force and effect.



MINNESOTA

OFFICE OF

CANNABIS MANAGEMENT

Hemp Businesses in Minnesota

A guide for lower-potency hemp
edible license applicants

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Glossary

Endorsement: An approval issued by OCM to conduct specified business activities, after receiving a hemp business license.

Hemp business license: A license for lower-potency hemp edible manufacturing, lower-potency hemp edible retailing, or lower-potency hemp edible wholesaling.

LPHE: Lower-potency hemp edible.

LPHE-M: Lower-potency hemp edible manufacturer.

LPHE-R: Lower-potency hemp edible retailer.

LPHE-W: Lower-potency hemp edible wholesaler.

OCM: Minnesota Office of Cannabis Management.

Legal References

The requirements for hemp businesses that are described in this guide are promulgated by [Minnesota Statutes, chapter 342](#). Statute also provides OCM with enforcement authority for hemp business licenses. In accordance with chapter 342, OCM has also issued rules that further regulate the activity of hemp businesses ([Minnesota Rules, chapter 9810](#)). Until LPHE license applications are made available in fall 2025, registered hemp businesses must continue to operate in accordance with [Minnesota Statutes, section 151.72](#). Registrants may begin proactively operating under chapter 342 now. Once applications open and a business is licensed, they are required to begin operating under chapter 342.

Hemp businesses licensed under chapter 342 must maintain compliance with chapter 342 and Minnesota Rules, part 9810, and are subject to inspection by OCM and partner agencies to verify compliance.

- [Minnesota Statutes, chapter 342](#)
- [Minnesota Rules, chapter 9810](#)

Note: This document was developed after amendments were made during the 2025 legislative session in chapter 31. It is not a substitute for a thorough review of Minnesota Statutes, chapter 342 and Minnesota Rules, chapter 9810.

Supply Chain Overview

1. **Hemp plants** are cultivated and processed by an industrial hemp grower licensed by the Minnesota Department of Agriculture under [Minnesota Statutes, chapter 18K](#).
2. **Hemp plant parts** and **hemp concentrate** are sold to cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, cannabis wholesaler, or LPHE-M license holders.
3. **Hemp plant parts** are manufactured into hemp concentrate or artificially derived cannabinoids by an industrial hemp processor licensed under Minnesota Statutes, chapter 18K, an LPHE-M license holder with the proper endorsements, **OR** a licensed cannabis microbusiness, cannabis mezzobusiness, or cannabis manufacturer.
4. **Hemp concentrates** or **artificially derived cannabinoids** are manufactured into LPHEs by an LPHE-M license holder with the proper endorsements, **OR** a licensed cannabis microbusiness with the proper endorsements, cannabis mezzobusiness with the proper endorsements, or cannabis manufacturer.
5. **LPHEs** are sold to an LPHE-R license holder, LPHE-W license holder, **OR** a licensed cannabis retailer by an LPHE-M, LPHE-W, cannabis microbusiness, cannabis mezzobusiness, cannabis manufacturer, medical combination, or cannabis wholesaler license holder. LPHEs imported from out of state must go through an LPHE-W or cannabis wholesaler license holder with an importation endorsement.
6. **LPHEs** are sold to consumers by an LPHE-R license holder with the proper endorsements **OR** by a licensed cannabis retailer, cannabis microbusiness with the proper endorsements, cannabis mezzobusiness with the proper endorsements, or medical cannabis combination business.
 - LPHEs may be consumed on-site at the LPHE-R if the license holder holds an on-site consumption endorsement. An LPHE-R that does not possess a license issued under [chapter 340A](#) is required to maintain liability insurance meeting the requirements of section 340A.09 or provide documentation that the license holder has liability insurance of an equal level of coverage for on-site consumption activity.

- An LPHE-R with an on-site consumption endorsement may sell and permit consumption of LPHE beverages for consumption at an off-site event if:
 - i. The event is authorized by the local unit of government
 - ii. The event organizer holds an on-sale license issued under chapter 340A
 - iii. The event does not exceed four days in length.

Registration Requirements

Under Minnesota Statutes, section 151.72, hemp businesses were required to register with OCM as a step toward converting to licensure.

OCM closed the registration system on April 14, 2025, following the adoption of rules governing Minnesota’s cannabis industry, which set in place OCM’s ability to issue business licenses. On June 2, OCM will resume accepting registrations for businesses seeking to sell hemp-derived cannabinoid products (HDCPs) to consumers. The window will remain open until August 31, making it possible for unregistered businesses to become eligible to sell HDCPs (including hemp-derived THC beverages), during the busy summer season.

In addition to accommodating new registrants, this June 2 to August 31 window offers an opportunity for current registrants to update previously submitted registrations.

Licensing Timelines

OCM will begin accepting applications for hemp business licenses in fall 2025. At that time, the hemp registration system will end and all registered businesses who wish to continue selling LPHEs will be required to apply for a license under [Minnesota Statutes, chapter 342](#).

Under [Minnesota Statutes, section 342.18, subdivision 4](#), a hemp business must have been registered prior to the adoption of rules to qualify for conversion to licensure.

Businesses newly entering the market will be eligible to apply for a license in the fall as well but will not be able to operate until the license has been issued.

Existing hemp registrants will remain governed by Minnesota Statutes, section 151.72 until licenses from OCM are issued. At that point, all LPHE license holders must operate in compliance with Minnesota Statutes, chapter 342.

Licensing, Endorsements, and Certifications

Licenses available

Minnesota Statutes, chapter 342, designates three types of hemp business licenses ([Minnesota Statutes, section 342.43](#)):

- Lower-potency hemp edible manufacturers (LPHE-M)
- Lower-potency hemp edible retailers (LPHE-R)
- Lower-potency hemp edible wholesalers (LPHE-W)

Each hemp business license is subject to the following application and licensing fees ([Minnesota Statutes, section 342.11](#)):

- LPHE-M
 - Application fee: \$250
 - Licensing fee (initial and renewal): \$1,000
- LPHE-R
 - Application fee: \$250 or, if the lower-potency hemp retailer operated more than one retail location, \$250 per retail location
 - Licensing fee (initial and renewal): \$250 or, if the lower-potency hemp retailer operates more than one retail location, \$250 per retail location
- LPHE-W
 - Application fee: \$250
 - Licensing fee (initial and renewal): \$10,000

Per state law, application and licensing fees are nonrefundable.



License ownership restrictions

LPHE-M, LPHE-R, and LPHE-W licenses *may* be held simultaneously with the following licenses:

- Additional LPHE-M, LPHE-R, and LPHE-W licenses.
- An industrial hemp license under Minnesota Statutes, chapter 18K.
- Other licenses to prepare or sell food.
- Other licenses to sell tobacco or tobacco-related devices, electronic delivery devices, nicotine and lobelia delivery devices.
- Other licenses to manufacture or sell alcoholic beverages.

Per ([Minnesota Statutes, section 342.43](#)), LPHE-M, LPHE-R, and LPHE-W license holders may *not*:

- Simultaneously hold any type of cannabis business license.
- Offer, give, accept, receive, or borrow money (or anything else of value) or receive credit from another hemp business license holders, except for the lawful sale of LPHE products.
- Offer or receive benefits in exchange for preferential retailer treatment including product's placement on the retailer's shelves, display cases, or website ([Minnesota Statutes, section 342.23, subdivision 5](#)).



Endorsements and certifications

Important note: Manufacturing and selling hemp-derived consumer products is limited to cannabis business license holders. Hemp business license holders are not authorized to manufacture and sell hemp-derived consumer products.

To legally operate a licensed hemp business, certain business activities require additional endorsements or certifications.

Endorsements: Issued by OCM at no additional cost to the license holder and are required to conduct certain business activities. Eight types of endorsements are available for hemp businesses:

1. **Edible cannabinoid product handler endorsement.** This is required to manufacture, process, sell, handle, or store LPHEs (unless the LPHE is in final packaging). Therefore, this endorsement is required for all LPHE-M license holders. This endorsement also allows LPHEs to be manufactured at the same premises where food is manufactured ([Minnesota Statutes, section 342.07, subdivision 3](#)).
2. **Hemp concentrate and artificially derived cannabinoid endorsement.** This is required to manufacture hemp concentrate or artificially derived cannabinoid products. All methods of extraction, concentration, and conversion, and all volatile chemicals intended to be used must be disclosed to OCM prior to receiving this endorsement ([Minnesota Statutes, section 342.45, subdivision 3](#)).
3. **On-site consumption endorsement.** This is required for an LPHE-R license holder to allow on-site consumption at their establishment. This endorsement is only available to LPHE-R license holders ([Minnesota Statutes, section 342.46, subdivision 8](#)).
4. **Retailer operations endorsement.** This is required for an LPHE-R license holder intending to operate a retail establishment to sell LPHE products to customers who are 21 years of age and older. There are no additional application requirements necessary beyond the application requirements for an LPHE-R license.
5. **Delivery endorsement.** This is required for an LPHE-R license holder intending to deliver LPHE products directly to customers aged 21 years and older. The endorsement requires the applicant to submit:

- a. Proof of insurance for each vehicle or general liability insurance with a limit of at least \$1,000,000 for each occurrence
 - b. A business plan demonstrating policies to avoid sales of LPHE products to individuals who are under 21 years of age
 - c. Evidence the business will comply with applicable requirements. Additionally, an LPHE-R license holder with a delivery endorsement must:
 - Ensure LPHE products are not visible from outside the delivery vehicle.
 - Ensure a vehicle that contains LPHE products is either attended by an employee or secured by turning off the ignition, locking all doors and storage compartments, and removing operating keys or device.
6. **Lower-potency hemp edible importer endorsement.** This is required for a LPHE-W license holder intending to import LPHEs that are manufactured outside of the state with the intent to resell the products. This endorsement is only available to LPHE-W license holders and cannabis wholesaler license holders.
7. **Transporter endorsement.** This is required for a LPHE-W license holder intending to transport LPHE products to other businesses. The endorsement requires the applicant to submit additional application materials ([Minnesota Statutes section 342.45, subd. 5](#)). Transportation of LPHE products is otherwise authorized for LPHE-M and LPHE-R license holders and does not require a specific endorsement for these two licenses.
8. **Hemp product exporter endorsement.** This endorsement is available to LPHE-M and LPHE-W license holders and is required if the license holder intends to manufacture or purchase, store, transport, or sell products containing cannabinoids that do not qualify as LPHE products and are intended for sale outside of Minnesota. License holders seeking this endorsement must abide by requirements for manufacturing, storage, and transport as detailed in the exporter section ([see page 21](#)).

Certificates: For LPHE-M license holders who are performing extraction or concentration of cannabinoids, or conversion of artificially derived cannabinoids, additional **certifications** are also required before beginning operations. Such LPHE-M license holders must obtain third-party certifications from an independent industrial hygienist or a professional engineer for the following ([Minnesota Statutes, section 342.45, subdivision 3\(d\)](#)):

1. All electrical, gas, fire suppression, and exhaust systems.
2. Plans for the safe storage and disposal of hazardous substances, including but not limited to any volatile chemicals.



Local Government Considerations

LPHE license holders must maintain compliance with state and local building, fire, and zoning regulations.

In addition to an OCM-issued license and endorsement, LPHE-R license holders must also obtain a **retail registration** from their local government before the business can begin retail sales. Local governments may charge an initial retail registration fee of up to \$125 per location.

Retail registrations may only be issued by the local government after a business receives a license from OCM, pays the local retail registration fee, and, if applicable, passes any preliminary compliance checks conducted by the local government and is found to be in good standing on any applicable property taxes and assessments.

- Local governments may not limit the number of local retail registrations they issue to LPHE-Rs.
- Local governments may not prohibit the possession, transportation, or use of LPHEs in their jurisdictions.
- Local governments are required to conduct annual compliance and age verification checks of LPHE-Rs with a local retail registration.

[\(Minnesota Statutes, section 342.22\)](#)

Applicants/license holders should work directly with local governments to obtain a retail registration.

How to Begin Business Operations

To begin operations as a **lower-potency hemp edible manufacturer (LPHE-M)** license holder:

1. Applicant completes application, including a signed labor peace agreement (LPA), and submits application fees. Applicant also identifies and applies for desired endorsements.
2. Application is vetted for minimum requirements by OCM.
3. OCM may conduct a site inspection.
4. If applicant successfully passes site inspection, OCM issues license (and any relevant endorsements), operations may commence.
5. OCM notifies local government of license being issued.

To begin operations as a **lower-potency hemp edible retailer (LPHE-R)** license holder:

1. Applicant completes application and submits application fees.
 - a. Application must indicate intent to obtain either an LPHE-R retailer endorsement, an LPHE-R delivery endorsement, or both.
 - b. Additional endorsements available for this license type are edible cannabinoid product handler and on-site consumption endorsement.
2. Application is vetted for minimum requirements by OCM.
3. OCM may conduct a site inspection, unless the location was previously registered and inspected by OCM.
4. If applicant successfully passes the site inspection, OCM issues a license (and any relevant endorsements).
5. OCM notifies the local government that a license is being issued.
6. If the licensed business has a retailer endorsement, the license holder seeks local retail registration from local government.

7. Local government reviews the application for retail registration according to local ordinance and determines whether to approve.
8. If approved, applicant pays a retail registration fee to the local government.
9. Local government conducts a compliance check for any applicable local ordinance established pursuant to [Minnesota Statutes, section 342.13](#).
10. Local government ensures tax compliance, if applicable.
11. Local government issues retail registration to license holder.
12. Once license holder has received both a state license and local retail registration the business may conduct retail sales.

To begin operations as a **lower-potency hemp edible wholesaler (LPHE-W)** license holder:

1. Applicant completes application and submits application fees. Applicant also identifies and applies for desired endorsements.
2. Application is vetted for minimum requirements by OCM.
3. OCM may conduct a site inspection, unless the location was previously registered and inspected by OCM.
4. If applicant successfully passes the site inspection, OCM issues a license (and any relevant endorsements).
5. OCM notifies the local government that a license is being issued.

Allowable Business Activities and Product Requirements

What does a hemp business license allow me to do?

Minnesota Statutes, chapter 342, specifies certain allowable business activities for LPHE-M, LPHE-R, and LPHE-W licenses. OCM-issued endorsements are also required before conducting certain business activities; see the **Endorsements and Certifications** section of this guide for more information.

LPHE-M licenses permit the following ([Minnesota Statutes, section 342.45, subdivision 1](#)):

- Purchasing hemp plant parts, hemp concentrate, and artificially derived cannabinoids from licensed cannabis microbusinesses, cannabis mezzobusinesses, cannabis manufacturers, cannabis wholesalers, and other LPHE-M license holders.
- Purchasing hemp plant parts and propagules from industrial hemp growers, licensed under chapter 18K.
- Purchasing hemp concentrate from an industrial hemp processor, licensed under Minnesota Statutes, chapter 18K.
- Manufacturing hemp concentrate.
- Manufacturing artificially derived cannabinoids.
- Manufacturing LPHEs for public consumption.
- Packaging and labeling LPHEs for sale to customers.
- Selling hemp concentrate, artificially derived cannabinoids, and LPHEs to other cannabis businesses and hemp businesses.

All LPHE manufacturing operations must take place in a licensed facility and on equipment that meets health and safety standards established by OCM ([Minnesota Statutes, section 342.45, subdivision 2](#)).

LPHE-R licenses permit the following ([Minnesota Statutes, section 342.46](#)):

- Selling LPHEs obtained from licensed cannabis microbusinesses, mezzobusinesses, manufacturers, wholesalers, and other LPHE-M and LPHE-W license holders to individuals who are at least 21 years old.

- Delivering LPHEs obtained from licensed cannabis microbusinesses, mezzobusinesses, manufacturers, wholesalers, and other LPHE-M and LPHE-W license holders to individuals who are at least 21 years old (if holding a delivery endorsement).
- Selling other products or items for which a license is held, or authorization has been given, or that do not require a license or authorization.
- Allowing on-site consumption of LPHEs (if holding an on-site consumption endorsement).

All LPHEs, except those intended to be consumed as a beverage, must be displayed behind a checkout counter where the public is not permitted to access, or in a locked case. All LPHEs must also meet packaging and labeling requirements established by OCM and comply with all limits on the amount and type of cannabinoids contained in the LPHE. LPHE-R license holders must also post all notices on the premises, as required by [Minnesota Statutes, section 342.27, subdivision 6](#).

LPHE-R licenses prohibit the following ([Minnesota Statutes, section 342.46, subdivision 7](#)):

- Selling or delivering LPHEs to an individual under 21 years of age.
- Selling or delivering LPHEs to a person who is visibly intoxicated.
- Selling or delivering cannabis flower, cannabis products, or hemp-derived consumer products.
- Allowing for the dispensing of LPHEs in vending machines.
- Distributing or allowing free samples of LPHEs except when licensed to permit on-site consumption AND samples are consumed within the licensed premises.
- Sourcing products from unlicensed or unauthorized manufacturers. LPHE-R license holders must source all product from OCM-licensed manufacturers or wholesalers ([Minnesota Statutes, section 342.46, subdivision 1\(b\)\(1\)](#)).
- Importing products from out of state without working through an authorized LPHE-W or cannabis wholesaler ([Minnesota Statutes, section 342.55, subdivision, 3](#); [Minnesota Statutes, section 342.33, subdivision, 1\(6\)](#)).
- Participating in off-premises events unless the event is hosted by a cannabis event organizer license holder AND the LPHE-R is an authorized retailer OR unless the LPHE-R license holder also holds an on-site consumption endorsement and meets the event requirements, including local approval and on-sale liquor license ([Minnesota Statutes, section 342.39, subdivision 1](#)).

Can a hemp business license holder transport products?

Yes – hemp business license holders may transport products, with certain restrictions. LPHE-M, LPHE-R, and LPHE-W license holders have separate (but similar) product transportation restrictions. **Transporting is not the same as delivery.** Under Minnesota law, transporting products between businesses or business locations is distinct from delivery to a retail customer.

LPHE-M license holders may transport LPHEs, hemp concentrates, and artificially derived cannabinoids on public roadways, if ([Minnesota Statutes, section 342.45, subdivision 5](#)):

- The products 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.
- The products are packaged in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle.
- The LPHE-M license holder has a shipping manifest in its possession that describes the contents of all tamper-evident containers.
- All departures, arrivals, and stops are appropriately documented.
- No person other than a designated employee enters a vehicle at any time that the vehicle is transporting products.

LPHE-R license holders may transport LPHEs, hemp concentrates, and artificially derived cannabinoids on public roadways, if ([Minnesota Statutes, section 342.46, subdivision 5](#)):

- The products are in final packaging.
- The products are packaged in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle.
- The LPHE-R license holder has a shipping manifest in its possession that describes the contents of all tamper-evident containers.
- All departures, arrivals, and stops are appropriately documented.

LPHE-W license holders may transport LPHEs, hemp concentrates, and artificially derived cannabinoids on public roadways, if ([Minnesota Statutes, section 342.455, subdivision 5](#)):

- The license holder receives a transporter endorsement from the office and submits insurance information, the number and type of equipment the business will use to transport, a loading, transporting, and unloading plan, a description of the experience in distribution or security and evidence the business will comply with requirements.
- The products are in a locked, safe, and secure storage compartment that is part of the vehicle or in a locked storage container that has a separate key or combination pad.
- The products are packaged in tamper-evident containers that are not visible or recognizable from outside the transporting vehicle.
- The LPHE-W license holder has a shipping manifest in its possession that describes contents of all tamper-evident containers.
- All departures, arrivals, and stops are documented.
- No person other than a designated employee enters the vehicle at any time that the vehicle is transporting products.
- At all times the vehicle contains products, the vehicle is attended by an employee or secured by turning off the ignition, locking all doors and storage compartments and removing the operating keys or device.
- No person other than a designated employee enters a vehicle at any time that the vehicle is transporting products.

What requirements exist for hemp products?

All LPHEs manufactured and sold must meet specific requirements regarding ingredients, serving and package sizes, and prohibited characteristics. Under OCM's rules, hemp-derived delta-9 tetrahydrocannabinol (THC) is approved for use in LPHEs and cannabichromene (CBC), cannabidiol (CBD), cannabigerol (CBG), and cannabinol (CBN) are designated as non-intoxicating cannabinoids. Any additions to these lists of approved artificially derived cannabinoids and non-intoxicating cannabinoids require review through a petition process. A formal petition process to request the approval of additional product types will be available through the Office of Cannabis Management in 2026.

Figure 1. Allowed serving sizes and packaging limits

Maximum serving size of an LPHE (not beverage): 5 mg delta-9 THC, 100 mg of CBD, CBG, CBN, or CBC, and 0.5 mg of any other cannabinoids.

Maximum package size of an LPHE (not beverage): 50 mg delta-9 THC, 1,000 mg of CBD, CBG, CBN, or CBC.

Maximum serving size of an LPHE beverage: 10 mg delta-9 THC per single container, 200 mg of CBD, CBG, CBN, or CBC, and 0.5 mg of other cannabinoids.

For all three: The ratio of delta-9 THC to all other artificially derived cannabinoids may not exceed 20 to 1 (95% purity).

If multiple servings exist in a package of LPHEs, the servings must be clearly indicated by scoring or wrapping. If multiple servings exist in a package of LPHEs and the product is intended to be combined with food or beverages before consumption, the servings must be indicated by scoring or wrapping OR it may be sold with a calibrated dropper or other measuring device.

LPHEs may *not* ([Minnesota Statutes, section 342.46, subdivision 7](#); [section 342.06, subdivision 1](#)):

- Contain cannabis plants or derivatives of any kind.
- Be, or appear to be, a lollipop or ice cream.
- Bear the likeness or contain characteristics of a real/fictional person, animal, or fruit.
- Be modeled after a type or brand of products primarily consumed by or marketed to children.
- Be substantively similar to a meat, poultry, or dairy food product.
- Contain a synthetic cannabinoid.
- Be made by applying a cannabinoid, including but not limited to an artificially derived cannabinoid, to a finished food product that does not contain cannabinoids and is sold to consumers, including but not limited to a candy or snack food.
- Contain an ingredient other than cannabinoids that is not approved by the FDA for use in food.
- Be added to a trademarked food product, unless the trademarked product is used only as an ingredient in the LPHE and not advertised or sold under the trademarked name or likeness.
- Contain any cannabis flower, cannabis concentrate, or cannabinoids derived from cannabis flower or cannabis concentrate.

Artificially derived cannabinoids and **hemp concentrates** may not contain any chemicals or compounds not explicitly approved by OCM ([Minnesota Statutes, section 342.26, subdivision 4\(d\)](#)).

Figure 2. Hemp potency limits

Hemp and hemp-derived cannabinoids may *not* be sold as cannabis or included in any cannabis product formulations. Cannabis products may only include cannabinoids derived from cannabis plants. Hemp products may not exceed 0.3% total THC. If hemp products exceed the 0.3% potency limit, they may not be sold as cannabis or hemp.

If an LPHE is damaged, has a broken seal, has been contaminated, or has not been sold by the expiration date, hemp business license holders must dispose of the product in a manner approved by OCM ([Minnesota Statutes, section 342.23, subdivision 3](#)).

What requirements exist for on-site consumption of LPHEs?

LPHE-R license holders may allow on-site consumption of LPHEs after obtaining an on-site consumption endorsement from OCM.

Additionally, LPHE-R license holders with an on-site consumption endorsement are permitted to sell LPHE beverages for on-site consumption at an event hosted off site of the LPHE-R license holder location if:

1. The event has been authorized by the local unit of government exercising jurisdiction over the event.
2. The event organizer holds an on-sale license issued under chapter 340A.
3. The event does not exceed four days.

All LPHEs sold for on-site consumption must comply with all applicable testing requirements and must be served in the required packaging. However, if the LPHE is intended to be served as a beverage, it may be sold outside of the retail packaging if all required label and dosage information is accessible on a label or otherwise displayed on the premises.

LPHE-R license holders with an on-site consumption endorsement may *not* ([Minnesota Statutes, section 342.46, subdivision 8](#)):

- Sell, give, furnish, or in any way procure LPHEs for an obviously intoxicated person.
- Sell LPHEs that are designed or reasonably expected to be mixed with an alcoholic beverage.
- Permit LPHEs that have been removed from the products' packaging to be removed from the premises.

What product testing requirements exist?

All LPHEs, hemp concentrates, or artificially derived cannabinoids offered for sale must comply with the following requirements ([Minnesota Statutes, section 342.61](#)):

- A representative sample of the batch of the artificially derived cannabinoids, LPHEs, or hemp-derived consumer products has been tested according to Minnesota Statutes, chapter 342 and Minnesota Rules, part 9810.
- The testing was completed by a licensed cannabis testing facility.
- The tested sample was found to meet testing standards established by OCM.
- The testing lab received 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 LPHEs, whether applied intentionally or accidentally.
- Test results for each batch are maintained for at least five years after the date of testing.
- Test results are made available for review by any member of the public upon request. Results must be in plain language.

Can I import lower-potency hemp edibles and hemp-derived consumer products?

On the cannabis business license side of the supply chain, licensed cannabis wholesalers may import LPHE and hemp-derived consumer products, provided these products comply with chapter 342. Beginning in 2026, imported products must be tested by a state-licensed testing laboratory. Additionally, all imported hemp-derived consumer products must be accurately documented within Metrc, the state's track-and-trace system.

Additionally, on the lower-potency hemp edible side of the supply chain, LPHE-W license holders with an importation endorsement may import LPHE products (only LPHE products, not hemp-derived consumer products) that are manufactured outside of the state with intent to sell the products to other cannabis and LPHE businesses, provided these products comply with chapter 342. Beginning in 2026, imported products must be tested by a state-licensed testing laboratory. LPHE-W license holders with an importation endorsement may not import hemp-derived consumer products.

What do I need to know about exporting lower potency hemp edibles and other products?

LPHE-M license holders are authorized to manufacture LPHE products intended for export to other states, provided these products also comply with chapter 342 requirements, including but not limited to packaging and labeling requirements. LPHE-M license holders may export compliant products without labels and apply the labels when the product reaches the destination state. The products must still adhere to Minnesota manufacturing, potency, and testing requirements, and have a shipping manifest and certificate of analysis (COA) accompanying it to demonstrate provenance and compliance. ([Minnesota Statutes, section 342.34, subdivision 5; section 342.45, subdivision 1\(9\)](#)).

Additionally, LPHE-Ms with a hemp product exporter endorsement are permitted to manufacture products containing cannabinoids that do not qualify as lower-potency hemp edibles and are intended for sale only in jurisdictions other than Minnesota. The LPHE-M license holder with the hemp product exporter endorsement must comply with [Minnesota Statutes section 342.45, subdivision 4a](#), including that:

- The manufacturer must not add any cannabis flower, cannabis concentrate, or cannabinoid derived from cannabis flower or cannabis concentrate to the products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota.
- The products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota must be physically separated from all LPHE products.
- The products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota must be tested as provided in [section 342.61](#) and must meet all standards established by the office except for any limits on cannabinoids.

- The packaging of the products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota must clearly state that the products are not for sale in Minnesota. The packaging must also include the product's batch number and cannabinoid profile per serving and in total.
- The products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota may only be sold if they meet the importing state's requirements.

LPHE-W license holders may also obtain a hemp product exporter endorsement and are permitted to purchase, store, transport, and sell products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota provided that:

- All products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota are physically separated from LPHE products.
- All products containing cannabinoids that do not qualify as lower-potency hemp edibles for sale outside of Minnesota are in packaging that clearly state the products are not for sale in Minnesota and includes verification that the product was tested according to section 342.61. The packaging must also include the product's batch number and cannabinoid profile per serving and in total.